

prospectus



Mobecom Limited

ACN 125 688 940

(formerly Waratah Resources Limited)



Important notice

Defined terms

Capitalised terms and abbreviations used in this Prospectus (unless otherwise clearly defined), have the meanings given in the glossary in Section 11.

Offers

The Offers contained in this Prospectus is an invitation to acquire fully paid ordinary shares in the Company or options which upon exercise will convert into fully paid ordinary shares in the Company.

The Offers are detailed in Section 7.

This Prospectus is issued by the Company.

Lodgement and listing

This Prospectus is dated 15 June 2017 and was lodged with the ASIC on that date. None of ASIC, the ASX or their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is also issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules following a change to the nature and scale of the Company's activities.

This Prospectus expires on the date which is 13 months after the Prospectus Date. No securities will be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

Note to Applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. You should carefully consider this Prospectus in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

Some of the risk factors that should be considered by prospective investors are set out in Section 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

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

No Cooling-Off Rights

Cooling-off rights do not apply to an investment in Shares acquired under the Prospectus. This means that, in most circumstances, you cannot withdraw your application to acquire Shares under this Prospectus once it has been accepted.

Exposure period

The Corporations Act prohibits the Company from processing applications in the seven day period after the date of lodgement of this Prospectus (**Exposure Period**). This period may be extended by ASIC by up to a further seven days. The Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any application may need to be dealt with in accordance with Section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until after the expiry of that period. No preference will be conferred on applications received during the Exposure Period.

Obtaining a copy of this prospectus

The Offers constituted by this Prospectus in electronic form at <http://www.waratahresources.com.au> are available only to persons within Australia or certain persons in jurisdictions authorised by the Company.

Subject to the foregoing, it is not available to persons in other jurisdictions. Persons having received a copy of this Prospectus in its electronic form may, before the Offers close, obtain a paper copy of this Prospectus (free of charge) by telephoning Tom Fairchild at PAC Partners on (03) 8633 9867 within Australia or by email at tfairchild@pacpartners.com.au. If you are eligible to participate in the Offers and are calling from outside Australia, you should call +61 (0) 3 8633 9867.

Applications for Shares may only be made on an Application Form (attached to or accompanying this Prospectus, or via the relevant electronic application form attached to the electronic version of this Prospectus available at <http://www.waratahresources.com.au>). The Corporations Act prohibits any person from passing the Application Form onto another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of the Prospectus. Refer to Section 7 for further information.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company and CSB Engage. Investors should be aware that past performance is not indicative of future performance.

Financial performance

Section 4 sets out in detail the financial information referred to in this Prospectus. The basis of preparation of the financial information is set out in Section 4.

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed by the Australian Accounting Standards.

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

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Forward looking statements and marketing and industry data

This Prospectus contains forward looking statements which are identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company.

Any forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 5, general risk are as set out in Section 5.3, and specific risks are as set out in Section 5.2.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. The Company has no intention of updating or revising forward looking statements, or publishing prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

This Prospectus includes the overview of the industry in which CSB Engage currently operates in Section 3 and the overview of the historical business of the Company in Section 2. The Company has based some of the industry overview information on market research prepared by third parties. The information contained in any projections and reports of third parties includes assumptions, estimates and generalisations that the Company believes to be reliable, but the Company cannot guarantee the completeness of such information.

No forecast financial information

There are uncertainties associated with forecasting future revenues of the Company. The Directors therefore consider that reliable financial forecasts for the Company cannot be prepared. Accordingly, financial forecasts have not been included in this Prospectus.

Change in nature and scale of activities and re-compliance with Chapters 1 and 2 of the ASX Listing Rules

The Company historically operated as a mineral exploration company with interests mainly concentrated in Gabon and South Africa. On 11 May 2016, the Company announced that it had entered into a non-binding Term Sheet with CSB Engage to acquire 100% of all rights and title in all the issued capital of CSB Engage subject to certain conditions. On 18 November 2016, the Company announced that it had entered into a Share Sale Agreement to acquire all of the issued capital of CSB Engage subject

to certain conditions (i.e. the **Proposed Acquisition**).

For further information on the Proposed Acquisition, refer to Sections 2 and 3. The Proposed Acquisition will result in a significant change in the nature and scale of the Company's activities.

The General Meeting was held by the Company on 1 May 2017, at which Existing Shareholders approved the Proposed Acquisition, including the issue of certain securities to the CSB Engage Vendors, the change in nature and scale of the Company, and the change of the Company's name to Mobecom Limited, among other things (together the **Proposed Transaction**). A copy of the relevant Notice of Meeting (dated 31 March 2017) is available on the Company's website, www.waratahresources.com.au.

The Company must comply with ASX requirements for re-quotations of its shares on ASX's Official List, which includes re-complying with Chapters 1 and 2 of the ASX Listing Rules. This Prospectus is also issued to assist the Company to meet these requirements and to facilitate the offer for Shares under this Prospectus. The Offers are conditional on the satisfaction of certain conditions, please refer to Section 7 for further details.

Trading in Shares was suspended from Official Quotation on 11 May 2016. Trading of Shares on ASX will remain suspended until the Company satisfies the requirements of Chapters 1 and 2 of the ASX Listing Rules. There is always some risk that the Company may not be able to meet the requirements of ASX for re-quotations of the Shares on the Official List. If the conditions to the Offers are not satisfied or the Company does not receive conditional approval for re-quotations of the Shares on the Official List, on terms which the Company reasonably considers are capable of satisfaction, then the Company will not proceed with the Offers or the Proposed Acquisition and will repay all Application Monies (without interest) in accordance with the provisions of the Corporations Act.

Conditional Offers

The Offers made under this Prospectus and the issue of Shares pursuant to this Prospectus are subject to and conditional upon:

- (a) completion of the Consolidation;
- (b) the Company raising the Minimum Subscription Amount under the Investor Offer;
- (c) completion of the Proposed Acquisition; and
- (d) ASX approving the Company's re-compliance with the admission and quotation requirements under Chapters 1 and 2 of the ASX Listing Rules.

If any of the conditions are not satisfied, the Offers will not proceed, no Shares will be issued pursuant to the Offers under this Prospectus and the Company will repay all monies received from Applicants without interest.

Consolidation

Unless otherwise stated, all references to Shares in this Prospectus are made on the basis of the Consolidation (i.e. the Company's capital having

been consolidated on the basis of one Share for 28 Shares), having been put into effect. Shareholder approval for the Consolidation was obtained at the General Meeting.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Company website

Any references to documents included on the Company's website at <http://www.waratahresources.com.au> are for convenience only, and none of the documents or other information available on the Company's website is incorporated in this Prospectus by reference.

Time

Unless otherwise stated or implied, references to times in this Prospectus are to Australian Eastern Standard Time.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

The Company, the Share Registry and the Promoter disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statements.

Selling restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offers, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Privacy

By filling out the Application Form to apply for Shares, you are providing personal information to the Company through the Share Registry, which is contracted by the Company to manage applications. The Company and the Share Registry on their behalf, may collect, hold, use and disclose that personal information for the purpose of processing your Application, servicing your needs as a Shareholder, providing facilities and services that you need or request and carrying out appropriate administration. If you do not provide the information requested in the Application Form, the Company and

the Share Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you.

Your personal information may also be provided to the Company's agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

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

If an Applicant becomes a Shareholder, 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 of members. The information contained in the Company's register of members must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register of members is also used to facilitate dividend payments, corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to their personal information that the Company and the Share Registry hold about that person, subject to certain exemptions under law.

A fee may be charged for access. Access requests must be made in writing or by a telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the corporate directory on the final page of this Prospectus. Applicants can obtain a copy of the Company's privacy policy by visiting the Company website, <http://www.waratahresources.com.au>.

By submitting an Application, you agree that the Company and the Share Registry may communicate with you in electronic form or contact you by telephone in relation to the Offers.

Use of trademarks

This Prospectus includes CSB Engage's and the Company's registered and unregistered trademarks. All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

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Chair's letter

Dear Investor,

On behalf of the Board of Directors of Mobecom Limited (formerly Waratah Resources Limited) (**Mobecom**), I am pleased to present you with this opportunity to participate in the Offers.

Mobecom is proposing to change its activities from a mineral exploration company to a technology company through the acquisition of the entire issued capital of CSB Engage Pte Ltd (**CSB Engage**).

There can be little doubt that technology is rapidly changing how we transact, connect and share information with each other. CSB Engage has developed exciting and practical customer engagement technology over the past 7 years that is being used across three continents, in thirteen countries. Through this acquisition, Mobecom is positioning itself to be a leading supplier of transactional and behavioural engagement technology as various retail and communication methods globally converge, including social, mobile, ecommerce and traditional retail channels.

CSB Engage has historically provided white-labelled solutions to insurers, retailers, mobile telecoms, media and hospitality operators and will continue to do so, but it is now readying itself to provide direct-to-consumer engagement solutions through its digital currency and mobile application, airBux. The airBux product and its direct-to-customer strategy is aimed at small to medium merchants, and seeks to provide them with the latest technology and digital engagement platforms to grow their businesses without having to invest large sums of money.

Following completion of the Proposed Acquisition, Mobecom will be led by CSB Engage's founder and Chief Executive Officer, Neil Joseph. Together with a new and experienced Board of Directors, Neil and his management team bring to Mobecom significant experience in operating technology, loyalty and engagement businesses.

Mobecom is seeking to raise up to \$9,000,000 via the Investor Offer (subject to the Minimum Subscription Amount being raised). The Investor Offer provides Applicants with the opportunity to subscribe for new Shares at a price of 20 cents each. This Prospectus also contains other Offers, details of which are set out in Section 7.

The funds raised under the Investor Offer will be primarily used as working capital to further develop and commercialise the airBux product and strategy whilst expanding Mobecom's existing business in the three territories in which CSB Engage currently operates, including through sales and marketing.

Potential investors should be aware that investment in Mobecom is subject to certain risks, which are detailed in section 5. I encourage you to read the Prospectus carefully and in its entirety. If you have any concerns as to the contents of this Prospectus or the Offers, you should consult your stockbroker, lawyer, accountant or other professional adviser.

Thank you for taking the time to consider joining Mobecom on this exciting journey. On behalf of the Board of Mobecom, I am pleased to present this Prospectus to you and invite you to take part in this investment opportunity.



Sir Warwick Andrew
Chairman
15 June 2017

Key offer information

Key statistics	Min raising \$5m	Max raising \$9m
Existing Shares	23,639,727	23,639,727
Investor Offer Shares	25,000,000	45,000,000
Consideration Shares	101,836,051	101,836,051
Tulla Conversion Shares	9,065,737	9,065,737
Shares to Rod Walker	1,000,000	1,000,000
Shares to Frederick Kempson ¹	50,000	50,000
Shares to Mark Barnard	500,000	500,000
Promoter Securities ²	297,619	297,619
Director and Staff Shares	2,921,485	2,921,485
Investment by Kempson Capital ³	500,000	500,000
Investment by Sir Warwick Andrew ⁴	325,000	325,000
Investment by Neil Herbert ⁴	325,000	325,000
Total number of Shares on issue at re-listing	165,460,619	185,460,619
Market cap at re-listing (@20 cents per share)	\$33,092,123.80	\$37,092,123.80
Potential issue to Neil Joseph under the Incentive Option Plan ⁵	1,695,000	1,695,000
Potential issue to other staff members under the Incentive Option Plan ⁵	4,005,000	4,005,000
Potential additional issue under Incentive Option Plan	8,758,000	8,758,000
Potential issue to Promoter to issue options under its mandate	4,963,817	5,563,817
Potential issue to Kempson Capital on exercise of its option ³	50,000	50,000
Potential issue to Sir Warwick Andrew on exercise of his option ⁴	32,500	32,500
Potential issue to Neil Herbert on exercise of his option ⁴	32,500	32,500

¹ Frederick Kempson will be issued 50,000 additional shares as the introducer of CSB Engage to the Company. These shares will be issued for nil consideration.

² The issue of Shares under the Promoter Offer is part of the fees paid to the Promoter.

³ Kempson Capital invested \$100,000 in the Company in February 2017. The Company raised these funds to pay transaction costs associated with the Proposed Transaction. Kempson Capital Limited was issued with certain convertible notes and options. Further details of the investment can be found in the Appendix 3B announcement made by the Company to the ASX on 23 February 2017.

⁴ Please refer to Sections 7.7 and 10.3(c) for further information with respect to the investments made by Sir Warwick Andrew and Neil Herbert.

⁵ The potential issue of Shares is conditional upon the satisfaction of certain milestones linked to the performance of the relevant member of the Management Group and the Company following Completion, which are described further in Section 7.4.

Important dates

Indicative Timetable	Date
Lodgement of this Prospectus with ASIC	15 June 2017
Opening Date	22 June 2017
Closing Date	6 July 2017
Completion of Proposed Acquisition	11 July 2017
Issue of Shares under the Offers	17 July 2017
Dispatch of holding statements	21 July 2017
Expected date for Shares to be reinstated to trading on ASX (subject to ASX's discretion)	26 July 2017

Note: The dates shown in the table above are indicative only and may change without notice. In particular, the Company reserves the right to vary the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.



01.

Investment overview

Investment overview

01.

This Section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus.

This Prospectus should be read and considered in its entirety.

1.1 Overview of the Company and key features of its business model

TOPIC	SUMMARY	FURTHER INFORMATION
Who is the Company?	Mobecom Limited (ACN 125 688 940).	Section 2.1(a)
What is the Company's history?	<p>The Company was formerly known as Waratah Resources Limited, and prior to that, Waratah Gold Ltd. It was admitted to the Official List of the ASX in July 2008 and initially held 5 gold exploration licences in New South Wales.</p> <p>From 2010, the Company also held interests in exploration tenements in the Republic of Congo and the Republic of Gabon.</p> <p>With the recent decline in global commodity prices, the resource sector as a whole has become an increasingly difficult sector within which to generate strong and consistent value for shareholders.</p> <p>As a result, the Company has looked to the technology sector, and through completion of the Proposed Acquisition and the Proposed Transaction more generally, aims to generate further value for its shareholders.</p>	Section 2.4
In what market does the Company operate?	<p>The Company is not currently operating.</p> <p>The Company has historically sought to generate value for its shareholders by identifying and acquiring resource projects that have discovery and development potential, and through the global trading of commodities.</p> <p>A subsidiary of the Company, Waratah Resources Gabon SA currently holds an application for renewal of the Mekambo Est licence, which expired in December 2014. While Waratah Resources Gabon SA has pursued the renewal of the licence by lodging an application with the Gabon ministry in January 2016, to date, the renewal process is still unresolved.</p> <p>As the Company received Shareholder approval at the General Meeting (to change the nature and scale of its activities), if the Proposed Transaction completes, the Company will not pursue the renewal of the licence and will divest itself of Waratah Resources Gabon SA and all of its other assets related to the Original Undertaking.</p>	Section 2.4

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
How does the Company generate its income?	The Company does not currently generate any income as it is not operating. The Company is also currently suspended from quotation on ASX.	Section 2.4
What is the Company's business model?	On and from Completion, the Company will be a mobile and cloud technology solutions provider. At this point, the Company intends to generate income through licensing mobile applications and other technology platforms to businesses, and through sales directly to consumers.	Section 2.5(a)
Why are the Offers being conducted?	<p>The Offers are being conducted to:</p> <ul style="list-style-type: none"> (a) enable the Company to re-comply with ASX's admission and quotation requirements in accordance with Chapters 1 and 2 of the ASX Listing Rules; (b) proceed with the Proposed Acquisition; (c) meet the expenses of the Offers including fees and expenses associated with the re-listing of the Company and listing of the Shares offered under this Prospectus; and (d) provide working capital for the Company, including funding for the marketing and Sale of the Existing Products and the ongoing development and trial of the Developing Products, in particular airBux. 	Section 7

1.2 Proposed Acquisition

TOPIC	SUMMARY	FURTHER INFORMATION
What is the proposed Acquisition?	<p>On 18 November 2016, the Company entered the Share Sale Agreement in relation to the Proposed Acquisition.</p> <p>Pursuant to the Share Sale Agreement, the Company agreed (among other things) to acquire the CSB Engage Shares in consideration for the issue of the Consideration Shares to the CSB Engage Vendors (or their nominee).</p>	Section 10.3(a)
Who is CSB Engage?	<p>CSB Engage is a company incorporated in Singapore which has developed a range of software platforms and mobile applications that can be utilised as customer relationship management platforms.</p> <p>CSB Engage controls eight subsidiaries, incorporated in Australia, South Africa and Singapore.</p>	Section 2.1(b) and 2.5

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
Who are the CSB Engage Vendors?	The CSB Engage Vendors are those persons who hold all CSB Engage Shares immediately prior to Completion. The CSB Engage Vendors are the founding and investor shareholders in CSB Engage.	Section 10.3(a)
What are the key terms of the Proposed Acquisition?	<p>The key terms of the Proposed Acquisition are as follows:</p> <ul style="list-style-type: none"> (a) in consideration for the acquisition of the CSB Engage Shares by the Company, the Company will issue: <ul style="list-style-type: none"> (i) the Consideration Shares to the CSB Engage Vendors, including to their nominees; and (ii) options under the Performance Offer to the Management Group; (b) completion of the Proposed Acquisition is conditional upon: <ul style="list-style-type: none"> (i) the Company completing and being reasonably satisfied in relation to the outcome of its due diligence investigations of CSB Engage; (ii) CSB Engage completing and being reasonably satisfied in relation to the outcome of its due diligence investigations of the Company; (iii) the Company obtaining shareholder and regulatory approvals required to carry out each transaction contemplated in the Share Sale Agreement, including: <ul style="list-style-type: none"> (A) obtaining Shareholder approval for the Proposed Acquisition; (B) meeting the admission and quotation requirements of Chapter 1 and 2 of the ASX Listing Rules; and (C) obtaining ASX approval for the reinstatement of the Company's Shares to official quotation on the ASX, following completion of the Proposed Acquisition; and (iv) the Minimum Subscription Amount under the Investor Offer being raised; and (c) each member of the Management Group executing an employment agreement with the Company on terms acceptable to the Company. 	Section 10.3(a)

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
How will the Consideration Shares be distributed?	<p>The Consideration Shares consist of in aggregate 112,451,788 Shares of which 101,836,051 Shares will be issued to the CSB Engage Vendors and 9,065,737 to Tulla in their respective proportions.</p> <p>Tulla is a CSB Engage Vendor that is 9,065,737 Shares will be issued to Tulla in consideration of Tulla discharging any interest it has under certain convertible loan notes issued to it by CSB Engage. Tulla has provided CSB Engage with a deed confirming the above and released CSB Engage from any further liability on terms reasonably acceptable to the Company.</p> <p>The remainder of the Consideration Shares are to be issued as follows:</p> <ul style="list-style-type: none">(a) 1,000,000 Shares to Rod Walker in satisfaction of contractual obligations agreed to by CSB Engage relating to securing Rod Walker's services;(b) 50,000 Shares to Frederick Kempson, as a gift from the CSB Engage Vendors as the introducer of CSB Engage to the Company; and(c) 500,000 Shares to Mark Barnard in satisfaction of CSB Engage's obligations under a loan to CSB Engage by Mark Barnard.	Section 10.3(a)

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
<p>What does CSB Engage do?</p>	<p>CSB Engage is a full stack customer engagement technology provider that delivers end to end technology solutions for businesses that want to engage with their customers via digital channels. "Full stack" means that CSB Engage has developed proprietary technology to deliver the complete set of customer engagement technology requirements for an organisation, working with both back-end (databases) and front-end technology (design, mobile applications and websites).</p> <p>Products currently offered by CSB Engage (Existing Products) include:</p> <ul style="list-style-type: none"> (a) Clique: a dynamic loyalty engine that delivers a multi-feature rewards platform that allows a company to reward customers across multiple platforms including mobile, social, retail and e-commerce; (b) SIG / Social Intelligence Gatherer: a platform which enables a brand to interact with social media users, to reward social media users for their advocacy of the brand, and to build a database of social media users who are advocates for the brand; (c) Trace: a platform which allows advertising campaigns to be automated, enabling brands to send online newsletters, emails, SMSs and mobile vouchers to customers, including targeted data reporting capabilities; (d) Muulla: a cloud-based platform which allows brands to provide customers with mobile vouchers and loyalty points, send targeted adverts to customers' mobile phones, collect data, process payments and message customers; and (e) LifelQ: a health and wellness, and behavioural engagement platform, providing solutions for insurers, employers, healthcare providers and consumers. <p>The future of the business focuses on the further development and monetization of airBux, which is a cloud-based mobile application platform which allows users to convert loyalty and rewards points earned from one brand to another.</p>	<p>Section 2.5</p>

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
What is the CSB Engage business model?	<p>The CSB Engage Business has historically focused on the supply of business to business (B2B) solutions and will continue to do so. Under this business model, CSB Engage licenses and sells existing products to other businesses, such as retailers and restaurant groups.</p> <p>CSB Engage's existing business model comprises three major revenue streams including:</p> <ul style="list-style-type: none"> (a) a one-off license, setup and implementation fee (for highly bespoke solutions, a development and customisation fee is also charged); (b) annuity / recurring fees – these include a number of options, such as group monthly management fees, transaction fees, membership fee, and/ or a fee per outlet; and (c) ad hoc revenue streams, which includes voucher issue or redemption fees, rentals, program administration and services fees. <p>CSB Engage's strategy is to grow its business and revenues by moving from its dependence on its historical B2B relationships to a direct to consumer (D2C) strategy. The transition will seek to exploit the potential growth prospects available from the development of mobile applications, namely airBux, that allow CSB Engage to communicate and transact directly with consumers. Further information on airBux can be found in section 3.6.</p>	Section 2.5 and 3.6

1.3 Financials and dividend policy

TOPIC	SUMMARY	FURTHER INFORMATION
What is the Company's dividend policy?	<p>The Directors may pay any interim and final dividends as, in their judgment, the financial position of the Company justifies. Subject to any rights attaching to Shares, the Directors may fix the amount, time for payment and method of payment of a dividend.</p> <p>However, the Company does not intend to declare and pay any dividends in the immediately foreseeable future.</p>	Sections 4.8 and 8.4(d)
What is the proposed use of the funds raised under the Investor Offer?	<p>The Company intends to use funds raised under the Investor Offer to fund the development of the CSB Engage Business, including the ongoing marketing and sales of the Existing Products and the development of the Developing Products (in particular airBux), as outlined in Section 2.5(b).</p>	Section 7.2

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
Financial Information	<p>The audited reviewed historical statements of financial position of Waratah as at 31 December 2016 and of CSB Engage as at 31 December 2016, the Directors' estimate of subsequent events from those dates to completion of the Offer and the Proposed Transaction and proforma adjustments associated with the completion of the Offer and Proposed Transaction is set out in Section 4 and has been subject to a limited assurance review by Hall Chadwick Corporate (NSW) Limited in accordance with the scope of their Independent Limited Assurance Report on Historical and Pro-forma Consolidated Financial Information.</p>	Section 4

1.4 Directors and key management

TOPIC	SUMMARY	FURTHER INFORMATION
Who will be the Directors of the Company?	<p>As at the date of this Prospectus, the Directors are:</p> <ul style="list-style-type: none">▪ Sir Warwick John Andrew (Non-Executive Chair);▪ Mandeep Bhandari (Non-Executive Director); and▪ Neil Herbert (Non-Executive Director). <p>Upon completion of the Proposed Acquisition, the CSB Engage Vendors shall be entitled to appoint up to five (5) Directors to the Board of Mobecom.</p> <p>The CSB Engage Vendors have requested, and the current Directors have agreed to resign as directors of Mobecom subject to Completion taking place, after which the Directors of Mobecom will be:</p> <ul style="list-style-type: none">(a) Neil Joseph (Executive Director);(b) Todd Ruppert (Non-Executive Director);(c) David Fisher (Non-Executive Director); and(d) Rod Walker (Non-Executive Director).	Section 6.1 and 10.3(a)

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
Who will be the key members of the Company's management?	<p>After completion of the Proposed Acquisition, the key members of Mobecom's management will be:</p> <ul style="list-style-type: none"> (a) Neil Joseph – Executive Director and Chief Executive Officer; (b) Chris Joseph – Full time employee responsible for the CSB Group's Africa operations; (c) Sean Smith – Full time employee responsible for the CSB Group's mobile platforms; (d) Aubrey Sonnenberg – Full time employee responsible for LifeIQ; (e) Patrick Pitcher–Full time employee responsible for the CSB Group's Asia operations; and (f) Antonietta (Anne) Adaley – Company Secretary and Finance. 	Section 6.3

1.5 Significant interests of key people and stakeholders

TOPIC	SUMMARY	FURTHER INFORMATION									
Who are the Existing Shareholders and what will be their interest in the Company after Completion?	<p>The Existing Shareholders hold all of the Shares in the Company prior to closing of the Proposed Acquisition, details of whom may be obtained directly from the Company.</p> <p>After Completion (and assuming total number of Shares on issue at re-listing, if the minimum amount is raised is 165,460,619 Shares, or if the maximum amount is raised, is 185,460,619 Shares), the Existing Shareholders will hold between approximately 14.29% to 12.75% of issued share capital in the Company.</p> <table border="1"> <thead> <tr> <th>Point in time</th> <th>Min raising \$5m</th> <th>Max raising \$9m</th> </tr> </thead> <tbody> <tr> <td>Percentage of shareholding at re-listing</td> <td>14.29%</td> <td>12.75%</td> </tr> <tr> <td>Percentage of shareholding if all potential shares are also issued post re-listing</td> <td>12.78%</td> <td>11.50%</td> </tr> </tbody> </table>	Point in time	Min raising \$5m	Max raising \$9m	Percentage of shareholding at re-listing	14.29%	12.75%	Percentage of shareholding if all potential shares are also issued post re-listing	12.78%	11.50%	Section 7.10
Point in time	Min raising \$5m	Max raising \$9m									
Percentage of shareholding at re-listing	14.29%	12.75%									
Percentage of shareholding if all potential shares are also issued post re-listing	12.78%	11.50%									

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
What significant benefits and interests are payable to Directors and other stakeholders connected with the Company?	<p>Please refer to Section 6.5 for details of each incoming Director's remuneration.</p> <p>The relevant interests of the Directors in the Company's securities at the date of this Prospectus are set out in Section 6.7.</p>	Section 6.5 and 6.7
Will any Shares be subject to restrictions on disposals following Completion?	<p>No Shares issued under the Investor Offer will be subject to escrow. However, part or all of the:</p> <ul style="list-style-type: none">(a) Consideration Shares issued to the CSB Engage Vendors and their nominees, including those issued to Tulla;(b) Shares issued to the Management Group on the exercise of the Options; and(c) Shares issued to the Promoter under the Promoter Offer, <p>may be escrowed for up to 24 months following the re-admission of the Company to the Official List.</p>	Section 7.16

01. Investment overview

1.6 Overview of the Offers

TOPIC	SUMMARY	FURTHER INFORMATION
What are the Offers?	<p>Mobecom is offering the public up to 45,000,000 Shares at the Offer Price (an issue price of \$0.20 per Share), to raise up to \$9,000,000 (before costs), under the Investor Offer. The Investor Offer is subject to the Minimum Subscription Amount being raised.</p> <p>In addition to the Investor Offer, Mobecom will also issue:</p> <ul style="list-style-type: none">(a) 112,451,788 Shares (the Consideration Shares) to the CSB Engage Vendors and their nominees including Tulla, Rod Walker, Frederick Kempson and Mark Barnard under the Vendor Offer;(b) 297,619 Shares and 4,963,817 options to the Promoter under the Promoter Offer;(c) 2,921,485 Shares to certain Directors and staff in satisfaction of amounts owed to each person under the Staff Offer;(d) 1,150,000 Shares and 115,000 options to Sir Warwick Andrew, Neil Herbert and Kempson Capital under the Conversion Offer; and(e) 5,700,000 options to the Management Group under the Performance Offer, although certain performance criteria must be satisfied before these options can be exercised.	Section 7
What are the conditions of the Offers?	<p>The Offers are conditional upon the occurrence of the following events:</p> <ul style="list-style-type: none">(a) completion of the Proposed Acquisition;(b) the Company meeting the requirements of Chapters 1 and 2 of the ASX Listing Rules and satisfying ASX requirements for re-admission to the Official List of the ASX; and(c) the Company raising the Minimum Subscription Amount under the Investor Offer. <p>If any of the conditions set out above cannot be met (or to the extent that they are capable of waiver, waived), the Offers will not proceed, no Shares or options shall be issued under the Offers and all Application Monies will be refunded to Applicants without interest.</p>	Section 10.3

01. Investment overview

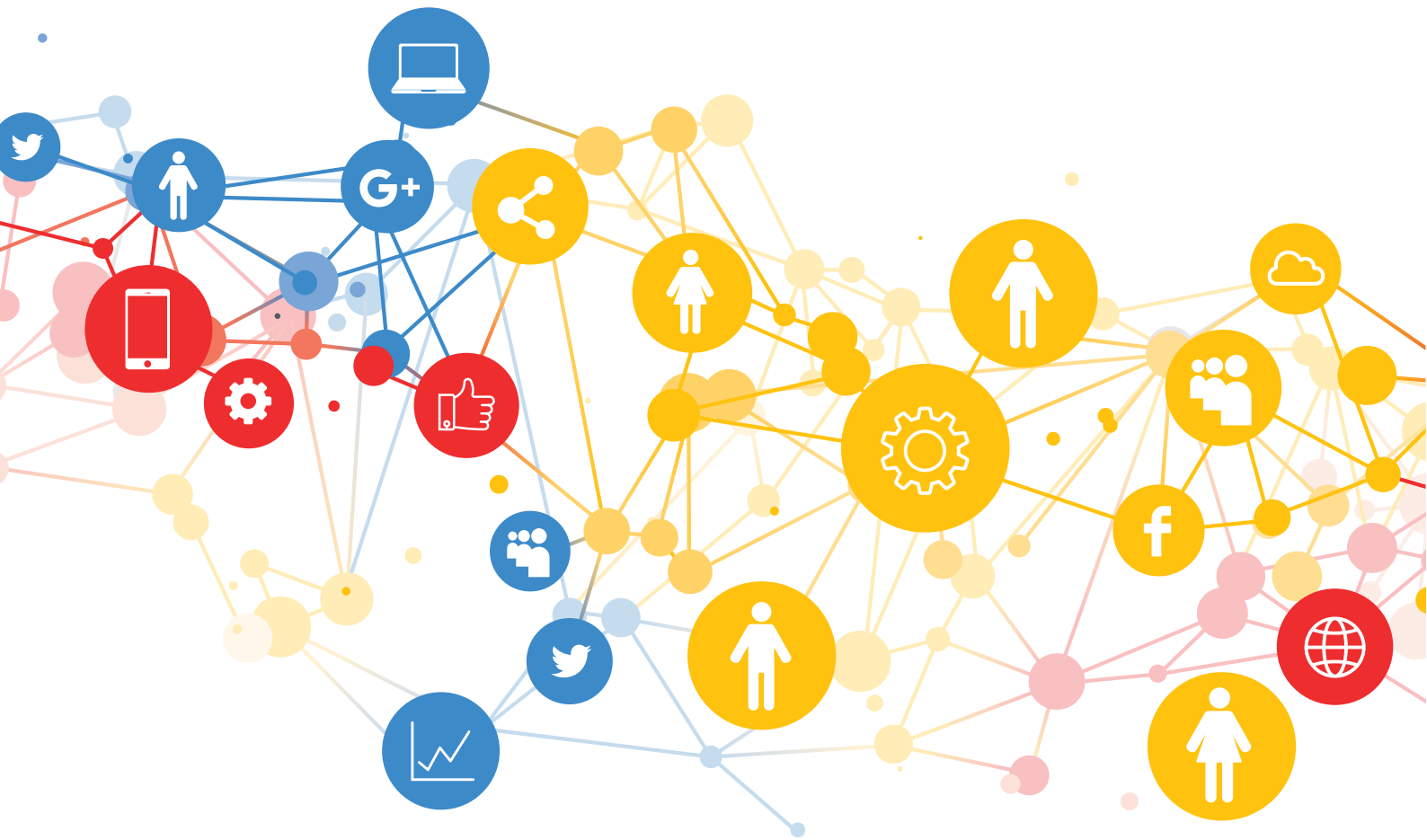
TOPIC	SUMMARY	FURTHER INFORMATION
<p>How will the proceeds of the Offers be used?</p>	<p>The proceeds of the Investor Offer will be used for:</p> <ul style="list-style-type: none"> (a) providing funding for the development of the CSB Engage Business in the Australian and International markets, including investment into the CSB Engage Business to support the marketing and sale of the Existing Products and the ongoing development and trial of the Developing Products, in particular airBux; (b) fees and expenses associated with the re-listing of the Company and listing of the Shares offered under this Prospectus; and (c) working capital purposes. <p>No funds will be raised from the Vendor Offer, the Staff Offer, the Performance Offer or the Promoter Offer.</p>	<p>Section 7.2</p>
<p>How are the Offers structured / who is eligible to participate?</p>	<p>This Prospectus invites investors to apply for a total of up to 45,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$9,000,000 under the Investor Offer.</p> <p>The Investor Offer comprises of two offers, being:</p> <ul style="list-style-type: none"> (a) a Broker Firm Offer, being an offer to Australian resident retail clients of Brokers, who have received a firm allocation from their Broker; and (b) the Institutional Offer, being an invitation to bid for Shares which is made to Institutional Investors in Australia and certain other eligible jurisdictions. <p>The other Offers, being:</p> <ul style="list-style-type: none"> (a) the Vendor Offer; (b) the Performance Offer; (c) the Promoter Offer; (d) the Staff Offer; and (e) the Conversion Offer; <p>have certain restrictions with respect to eligibility as detailed in Section 7.2.</p>	<p>Section 7.13</p>
<p>What is the Offer Price?</p>	<p>The Offer Price is \$0.20 per Share.</p>	<p>Section 7.13</p>
<p>Are the Offers underwritten?</p>	<p>None of the Offers are underwritten.</p>	<p>Section 7.15</p>

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
Will the Shares issued under the Offers be quoted?	The Company will apply to the ASX for quotation of all Shares issued under the Offers, as required by the Corporations Act.	Section 7.13
What is the allocation policy?	<p>The allocation of Shares between the Broker Firm Offer and the Institutional Offer will be determined by agreement between the Company and the Lead Manager, having regard to the allocation policy outlined in Sections 7.13 and 7.18.</p> <p>With respect to the Broker Firm Offer, it is a matter for the Brokers (and not the Company) how they allocate Shares among eligible clients. For further information on the Broker Firm Offer, see Section 7.13. The allocation of Shares under the Institutional Offer will be determined by agreement between the Company and the Lead Manager.</p>	Section 7.13 and 7.18
Will the Company accept over-subscriptions?	The Company will not accept over-subscriptions.	Section 7.13 and 7.18
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offers.	Section 7.13
What are the tax implications of investing in the Shares?	Section 10.5 provides a general summary of the potential Australian tax implications of participating in the Investor Offer. However, the tax consequences of participation will depend on the individual investors' circumstances and, as such, applicants should obtain their own tax advice before subscribing for Shares pursuant to the Investor Offer.	Section 10.5
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be mailed by standard post on or about 21 July 2017.	Section 7.13

01. Investment overview

TOPIC	SUMMARY	FURTHER INFORMATION
What is the minimum Application size?	Applications for Shares under the Investor Offer must be for a minimum of 10,000 Shares.	Section 7.13
How can I apply?	<p>Applications for Shares offered under this Prospectus may only be made on the Application Form attached to and forming part of this Prospectus.</p> <p>Subscriptions for Shares will open on 10.00am on the Opening Date and remain open until 4.00pm on the Closing Date.</p> <p>The Opening Date and Closing Dates are subject to the right of the Directors to either close the Investor Offer at an earlier time or extend the Offers' Closing Date without prior notice. Applicants are therefore encouraged to submit their Applications as early as possible.</p>	Section 7.17
When are the Shares expected to commence trading?	<p>It is expected that trading of the Shares, including the new Shares, on the ASX will commence on 26 July 2017.</p> <p>However, Applicants should be aware that ASX will not admit any Shares issued pursuant to the Offers to official quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by the ASX to the Official List. As such, the Shares issued under the Offers may not be able to be traded for some time after the close of the Offers.</p>	Section 8.3
Can the Offers be withdrawn?	The Company may withdraw the Offers at any time before the issue or transfer of Shares to successful Applicants or bidders, including in the event that the Company does not receive approval for re-admission to the Official List. If the Offers are withdrawn, the Company will repay all Application Monies received by it in connection with the Investor Offer (without interest).	Section 7.18
Where can I find out more information about this Prospectus or the Offers?	<p>You can obtain further information from:</p> <p>(a) Tom Fairchild at PAC Partners on (03) 8633 9867 or by email at tfairchild@pacpartners.com.au; or</p> <p>(b) by visiting the ASX website and viewing the Company's public announcements under the code 'MBM' (which was formerly 'WGO').</p>	



02.

Company and CSB Engage overview

Company and CSB Engage overview 02.

2.1 Introduction

(a) Company Overview

The Company has historically sought to generate value for its shareholders by identifying and acquiring resource projects which have discovery and development potential, and through the global trading of commodities. With the recent decline in global commodity prices, it is difficult to generate strong and consistent value for shareholders by operating in the resource and commodity sectors.

As a result, the Company has looked at the technology sector, and through completion of the Proposed Acquisition, aims to generate further value for the Existing Shareholders.

(b) CSB Engage Overview

CSB Engage was incorporated in Singapore on 17 November 2011 as a software development company.

CSB Engage has developed certain customer engagement solutions across various sectors in the global market, being the Existing Products. The Existing Products are state-of-the-art rewards and customer relationship management software platforms and mobile applications which CSB Engage or its subsidiaries licence to their customer base, to provide them with the ability to (among other things) reward customers for each purchase, reward social media advocacy, build targeted advertising campaigns, compile databases and advertise via location-specific mobile advertisements.

CSB Engage is currently developing airBux and OnTraxx, being the Developing Products.

airBux is a cloud-based mobile application platform which allows users to convert loyalty and rewards points earned from one brand to another. airBux is currently being trialled, and will be the focus of the Company following completion of the Proposed Acquisition.

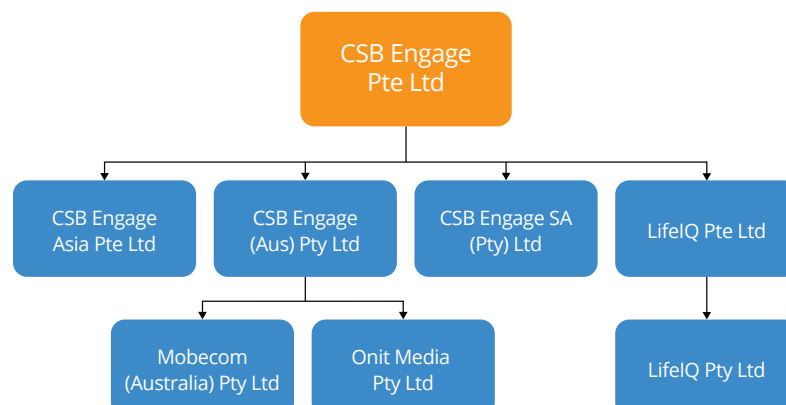
CSB Engage is also developing OnTraxx, which is currently early in the development stage. The end OnTraxx product is intended to be a mobile application which tracks health and wellness activities, shares information using social media, and allows customers to earn points and receive offers directly through location based mobile advertisements and vouchers.

CSB Engage's existing multi-channel engagement solutions provide retailers and brands with the ability to reward valued customers for both their transactional support and for their brand advocacy.

Please refer to Section 2.5(b) below for more details about the Existing Products and the Developing Products.

2.2 CSB Engage Business Ownership Structure

The diagram below sets out the CSB Engage Group structure as at the date of the Proposed Acquisition:



* **Note:** Infinite Networks Inc has previously been issued with 10% of equity in LifelQ Pte Ltd in error. Please refer to Section 10.6 for more information about Infinite Networks Inc and its holding in LifelQ Pte Ltd.

02. Company and CSB Engage overview

In summary, CSB Engage controls the CSB Engage Business through its ownership of its subsidiaries.

The role of each subsidiary is as follows:

- (a) CSB Engage (Aus) Pty Ltd, a company incorporated in Australia (**CSB Engage Aus**) wholly owns the following entities:
 - (i) Onit Media Pty Ltd, a company incorporated in Australia which develops and markets the CSB Engage's mobile applications focusing on geo-location consumer engagement (**Onit Australia**); and
 - (ii) Mobecom (Australia) Pty Limited (previously Mobecom Pty Limited, previously Endless Rewards Pty Ltd), a company incorporated in Australia which develops and markets the CSB Engage traditional loyalty and card based engagement platforms (**Mobecom Australia**);
- (b) CSB Engage Asia Pte Ltd, a company incorporated in Singapore, markets the CSB Engage products and services in Singapore and South East Asia (**CSB Engage Asia**);
- (c) Onit Media Asia Pte Ltd, a company incorporated in Singapore, has been established to market the CSB Engage mobile application products and services in Singapore and South East Asia (**Onit Asia**);
- (d) CSB Engage SA (Pty) Ltd, a company incorporated in South Africa markets and sells the CSB Engage products and services in South Africa (**CSB Engage SA**); and
- (e) LifelQ Pte Ltd, a company incorporated in Singapore, which markets and sells the LifelQ products and services in Singapore and South East Asia (**LifelQ Singapore**). LifelQ Singapore also wholly owns LifelQ Pty Ltd, a company incorporated in Australia which markets and sell the LifelQ products and services in Australia.

2.3 Mobecom's future direction and the Proposed Acquisition

On 21 November 2016, the Company announced that it had entered into the Share Sale Agreement to acquire all of the issued capital of CSB Engage, subject to certain conditions.

Under the Share Sale Agreement, the Company agreed to acquire the CSB Engage Shares in consideration for the issue of the Consideration Shares to the CSB Engage Vendors (112,451,788 Shares).

On the basis that Completion occurs, the Company will cease engaging in resource projects and commodities trading, including by rationalising the Original Undertaking and focusing on operating the CSB Engage Business.

2.4 The Original Undertaking

The Company has historically sought to generate value for shareholders by identifying and acquiring resource projects that have discovery and development potential, and also through the global trading of commodities.

Due to the recent decline in global commodity prices and given that the resource sector as a whole has become an increasingly difficult sector within which to generate strong and consistent value for shareholders, the Company proposes to cease engaging in its existing business and to focus on operating the business currently conducted by CSB Engage. Currently, the Directors are of the view that the Company does not have any future earning potential by pursuing the Original Undertaking.

The Company has obtained approval from the Existing Shareholders to change in the nature and scale of the activities of the Company as contemplated by the Proposed Transaction.

In order to achieve the above, the Company proposes to dispose of the Original Undertaking, being in effect all of the assets currently owned by the Company's subsidiary Waratah Resources Gabon SA, relating to its existing business. Waratah Resources Gabon SA currently holds for renewal the Mekambo Est licence, which expired in December 2014. While Waratah Resources Gabon SA has pursued the renewal of the licence by lodging an application with the Gabon ministry in January 2016, to date, the renewal process is still unresolved.

02. Company and CSB Engage overview

If the Proposed Transaction completes, the Company will not pursue the renewal of the licence and will rationalise Waratah Resources Gabon SA by ceasing to operate the company and/or liquidating the company as required. It should be noted that without this licence (i.e. if it is not renewed or is unable to be renewed), the market value of the Original Undertaking will be limited, if any.

The Company also proposes to rationalise all other dormant assets by transferring the assets to a third party, ceasing to operate any relevant assets and/or liquidating those assets as required.

By rationalising the Original Undertaking, the Company can focus on the CSB Engage Business.

The two Australian subsidiaries listed below have share capital consisting solely of ordinary shares. All the subsidiaries listed below are dormant other than as noted with respect to Waratah Resources Gabon SA. Further, the Company previously held an interest in Afriresources Congo S.A. and Nyive Congo SA (both incorporated in the Republic of Congo), through a now deregistered subsidiary, Galina Iron Limited (which was incorporated in the British Virgin Islands).

Due to the political climate in the Republic of Congo, the Directors' have been unable to confirm the status of Afriresources Congo S.A., and its current legal relationship with the Company (if any). To the best of the Directors' knowledge, the Company has no liabilities stemming from its association with Afriresources Congo S.A as noted above.

The Company also held an interest in BDRG Ltd (which was incorporated in the United Kingdom), which has been dissolved.

Controlled Entity	Country Of Incorporation	% Owned
Waratah (No1) Pty Ltd	Australia	100%
Waratah Resources Gabon S.A.	Gabon	100%
Waratah Commodities Trading Pty Ltd	Australia	100%

2.5 Operations of the CSB Engage Business

(a) Business model

The CSB Engage Business has historically focused on the supply of B2B solutions and will continue to do so following completion of the Proposed Acquisition. In this B2B model, CSB Engage licenses and sells Existing Products directly to other businesses, such as retailers and restaurant owners, who re-brand the Existing Products with their own brand before utilising the Existing Products to interact with consumers.

Because CSB Engage has developed each Existing Product independently, a business may wish to use one Existing Product only, or combinations of the Existing Products for a bespoke customer engagement solution. CSB Engage earns license fees for providing its customers with the Existing Products and the customer controls the consumer relationship and data.

While CSB Engage anticipates that it will continue to generate revenue through licensing its Existing Products in a B2B model, CSB Engage has formulated a D2C strategy to complement the B2B model. The Developing Products, in particular airBux, will underpin this new D2C strategy.

CSB Engage proposes to deploy the Developing Products directly into the marketplace, selling directly to, and engaging directly with, the end consumer. airBux is currently available for download as a mobile application for iPhone and Android devices, it is anticipated by CSB Engage that OnTraxx will be available for download as a mobile application through the mobile application stores and as a cloud-based software for service (SaaS) product. Under this D2C strategy, the Developing Products are to be sold as SaaS products, which tend to have a reduced sale cycle due to the direct engagement with end consumers. Further, CSB Engage will control the end consumer relationship under the D2C strategy, and consequently can communicate to the end consumer without seeking third party permission and dealing with third party controls over the consumer data.

02. Company and CSB Engage overview

(b) Products

(i) Existing Products—the CSB Engage Group has developed the following Existing Products:

(A) **Clique** – This product is a dynamic real-time loyalty software platform including integrated across all channels with treasury management and multiple rewards currency capability, points, cashback, vouchers. Clique is the backbone of the CSB Engage engagement platform and delivers a multi-feature rewards platform that allows a company to reward customers across multiple platforms including mobile, social, retail and e-commerce.

The Clique software allows businesses and brands to engage with their customers at point of sale via a swipe card, “tap and go” card, an identifier displayed on a smart phone, and/or even a mobile phone number.

Clique is a cloud based customer engagement solution that includes a central application engine, a branded merchant content management system and point of sale applications.

Clique provides a solution for brand owners to grow and develop a database of customers with which they can begin to communicate and market directly to. In summary, Clique assists brands to build their own database of customers from both retail and online transaction data and provides:

- » the ability to monitor, measure and reward customers for their continued loyalty and interaction with the brand or business through their purchases;
- » an end to end solution (that is, a solution which provides all the necessary components required) via integrated point of sale solutions, standalone solutions or web based rewards solutions;
- » a single identifier across mobile, retail, online and social platforms, whereby a member can use a single membership number or identifier such as their mobile number; and
- » real-time data and customer insights provided via on-line reports and graphs that are immediately available to the users of the Clique platform.

Clique’s modular, feature-rich architecture allows functions to be rapidly and cost-effectively configured to merchant requirements, creating a customised engagement solution offering loyalty, vouchers, gift card, campaign management and multiple currency functionality.

(B) **Social Intelligence Gatherer (‘SIG’)**: this product is a software application which rewards customers for business or brand advocacy through social media.

SIG provides a solution for retailers, businesses and brands that want to engage with their customers via a range of social media platforms, and to reward customers for their social media advocacy.

SIG provides businesses with the ability to:

- » monitor, measure and reward customers and brand advocates for their advocacy and interaction with a brand or business through the use of social media and word of mouth;
- » link social media users to a brand’s existing loyalty databases and schemes;
- » develop loyalty or rewards schemes that include primary social media applications; and
- » build databases of customers by monitoring customers’ brand advocacy through social media use.

(C) **Trace**: this product is an advertising campaign management tool, allowing retailers and brand owners to create, manage and send communications directly to their customers by mail and/or SMS. This software platform is managed in one interface, with campaign automation features.

Trace enables brands to deliver personalised communications to customers, deliver consistent messages across multiple channels and to plan and manage campaigns.

02. Company and CSB Engage overview

Trace provides businesses with the ability to:

- » create and send custom HTML newsletters and or emails that are consistent with the businesses' online and e-commerce brand;
- » send targeted segmented offers to customers;
- » configure and attach mobile vouchers and coupons to advertising campaigns, which customers can access and redeem from their mobile phone or email or direct mail for use in-store or online; and
- » determine the success of every voucher campaign by recording each voucher redemption as it occurs on the client's point of sale system, and then prepares reports against expected outcomes.

The vouchers produced by Trace can be in the form of one-off information messages (for example, messages identifying sales or end of season promotions), or repeating campaigns (for example, for messages about birthdays, lapsed customers or expiring rewards).

- (D) **Muulla:** this product is a mobile customer engagement platform that can be adapted and re-branded to CSB Engage's client requirements. Muulla is a service which is fully hosted, maintained and backed up in the cloud, and is securely accessible from any internet enabled mobile device.

Each CSB Engage client on the Muulla platform is set up with an engagement solution for their customers with modules that include loyalty, payment, ordering, reporting, geo-location advertising and vouchers, effectively creating a "white labelled" mobile application for each client. The Muulla customer engagement solution is designed for brands, franchises, retailers, shopping malls, mobile network operators, retail banks and payment processors.

As a mobile solution, Muulla Loyalty may be integrated into an existing multi-feature loyalty engine, or may use the CSB Engage integrated, multi-feature loyalty engine Clique.

Muulla deploys a 'set & forget' methodology, allowing users to build a 'favourites profile' by opting-in to receive notifications from specific stores or categories of product or service. Preferences are saved and users are only notified when relevant content is published and they are in the vicinity of the offer. To notify users of relevant content, the Muulla platform also includes a mobile messaging channel (if the user has accepted this form of communication), boosting customer engagement with the application.

The Muulla platform provides businesses with the ability to:

- » integrate the Muulla platform with social media allowing users to share advertising content across primary social media applications, SMS and email;
- » replace traditional plastic loyalty cards with a mobile solution which allows customers to earn and spend loyalty points from their mobile phone;
- » use smartphone GPS technology to send location-based, targeted adverts, vouchers and messages to customers in a defined location, assisting brands to generate sales, build brand identity and promote customer loyalty;
- » create, distribute and redeem mobile vouchers through Muulla, then track and analyse usage data via an extensive suite of online reports, assisting with the creation of customer databases;
- » use low energy Bluetooth beacons (**iBeacons**) in-store to facilitate quick, contactless, personalised and secure communications between the Muulla mobile application and a merchant's point-of-sale system. These iBeacons work within small ranges of between 100 millimetres and 80 metres and can be used to process payments, collect and report on customer in-store movement data and identify, recognise and reward loyal customers;

02. Company and CSB Engage overview

- » build customer profile data to understand their customers' preferences, spending and movement habits and track the success of advert, voucher and loyalty campaigns using a host of detailed, online reporting tools. These reports include reporting on voucher use, spend and advert views by gender, geographic locations and brand; and
- » advertise products, services, promotions, and provide rewards (such as vouchers) to customers who have downloaded the Muulla application and have indicated that they are interested in the relevant brand, merchant, location or product category.

The Muulla application allows customers to:

- » set notification 'geo-fences' for preferred merchants, locations and categories, so that location based vouchers, promotions and offers will only be received within the selected geographic parameters relative to the merchants' physical location;
- » configure their preferences on the Muulla application, so that when a customer's specific preferences are satisfied by a merchant's offer, promotion or advertisement, a notification is sent out to the customer with the targeted information; and
- » link a credit card or cards to their Muulla account at any time to pay for goods and services through the Muulla application. Paying with Muulla rewards the customer with Muulla loyalty points, with no requirement to produce and swipe anything further to 'earn' points. Payment is made in a single contactless transaction using the Muulla application, which customers can elect to use when they complete a purchase through the Muulla application or at a physical point of sale.

Onit Australia has recently completed the development of a new meal ordering module in the Muulla application. While the module is still being trialled, it has been successfully deployed with two clients. This feature allows Muulla application users to place orders with participating restaurants and cafes directly from their phone or desktop, allowing customers to 'express order' meals in an easy, step-by-step ordering process. Once a customer orders a meal through the Muulla application, the order is sent directly to the relevant, store-specific point of sale for processing. Customers will automatically earn loyalty points or rewards for their orders and can also choose to pay for their meal at the restaurant or café's point of sale by cash, credit card, rewards points or coupons.

- (E) **LifelQ:** this product is a behavioural engagement platform which aims to engage with consumers and end users (customers) of insurers, employers, healthcare providers through health and wellness content and activities (that is, it applies game-design elements and principles to engage users) and to provide users with an engaging, social and rewarding experience.

The LifelQ application is based upon an engagement model that encourages improved, sustainable and healthy habits through providing users with:

- » personalisation of content;
- » socialisation of peer to peer and group interaction;
- » activation of small actions which become habits;
- » tracking engagement through web, mobile application and other connectivity devices, and gamifying achievement by tracking achievement levels and creating leaderboards; and
- » recognition and rewards for achievement, engagement and purchase.

CSB Engage has also developed this platform to be licensed to third party businesses, who can then rebrand it.

CSB Engage's subsidiary, LifelQ Pte Ltd, has provided a white-labelled version of the LifelQ application to 8Z Pty Ltd, which uses it as an operating platform for the FiiTR mobile application retailed by 8Z Pty Ltd. Please refer to Section 10 for more details about the agreement between LifelQ Pte Ltd and 8Z Pty Ltd.

02. Company and CSB Engage overview

- (F) **FiiTR:** is a subscription based health and wellness application marketed by 8Z Pty Ltd. It is distributed via the internet to smart mobile phones.

8Z Pty Ltd uses CSB Engage's product, LifeIQ, as an operating platform for 8Z Pty Ltd's FiiTR product.

Since the initial trials of FiiTR by 8Z Pty Ltd towards the end of 2014, 8Z Pty Ltd has launched the FiiTR application in Australia in October 2015, and the FiiTR product has also launched in the UK, the UAE, Scandinavia and Switzerland.

- (ii) Developing Products:

- (A) **airBux:** a cloud-based encrypted loyalty currency platform that provides liquidity for loyalty currencies around the globe, and provides consumers with a global loyalty exchange to earn, exchange and spend loyalty currency.

airBux is an 'open-loop' mobile customer engagement solution that includes loyalty, payment, vouchers, and ordering (all of the Muulla modules and features) which is integrated at point of sale. The airBux product is currently operational and has been deployed in an 'alpha trial' across the Cairns region in Queensland, Australia with BigCat Green Island Reef Cruises (**BigCat**). For the terms of the agreement between BigCat and CSB Engage Pty Ltd, please refer to section 10.3.

An open-loop loyalty program is a loyalty program in which multiple merchants offer consumers rewards and benefits. These rewards points are interchangeable between merchants where points earned at one outlet can be redeemed at another, rather than requiring customers to earn and spend points in a single store or on a single brand.

CSB Engage's mobile customer engagement platform, Muulla powers this branded SaaS product and provides a creative content-management application that delivers geo-location advertising capability for small and medium enterprises.

The application is being deployed in the market under the brand 'airBux,' and CSB Engage will use the airBux product to drive the CSB Engage D2C strategy.

airBux is available for download as a mobile application for iPhone and Android devices, and will provide retailers with a new inventive, relevant, cost-effective, location-based channel to communicate directly with their customers.

Detailed information is provided with respect to airBux in Section 3.6.

- (B) **OnTraxx:** a mobile health & wellness engagement platform, currently in early development stage, the application is intended to encourage and guide consumers to live a healthier lifestyle.

OnTraxx will be a direct to consumer application. OnTraxx will also act as an engagement platform that uses trackable actions such as steps walked, recipes downloaded or fitness goal attained, and will gamify these actions allowing consumers to monitor and share their health and wellbeing information using social media.

This D2C product aims to include the ability for the consumer to:

- » share the application and activities with friends;
- » form leader-boards to challenge friends;
- » load pictures of customers participating in activities;
- » link multiple wearable devices to track their activities, such as FitBit; and
- » earn points and receive offers directly to their mobiles through location based adverts and vouchers.

In terms of the financial model, it is anticipated that "co-registration" functionality will be added to OnTraxx in the short term to drive incremental revenue. Co-registration means that revenue is generated from third party referrals such as insurance companies, credit card providers and utilities (among others). It is currently anticipated by CSB Engage that the co-registration component of the revenue model will be a major driver of revenue from the OnTraxx product.

02. Company and CSB Engage overview

Other revenue streams from the OnTraxx product will likely include:

- » in-application purchases;
- » display advertising;
- » voucher redemption; and
- » affiliate marketing commissions.

CSB Engage anticipates that the inherent value in OnTraxx will be the data that the company will generate from the behaviour and ecommerce transactions from the consumers that have downloaded the application. CSB Engage anticipates that data about participating customers (including purchase history, personal data provided on subscription, and segmentation data) and location data may be used to deliver personalised customer communications, such as content and offers which are relevant to that consumer. CSB Engage may also be able to monetise this aggregated data by sale to a third party, but has no plans to do so in the immediate future.

Please refer to Figure 1 below for a diagram of what data is likely to be available from the OnTraxx application:

FIGURE 1: DATA AVAILABLE



2.6 Overview of Operations of the Business

(a) Revenue streams

CSB Engage's existing business model comprises three major types of revenue streams derived from the Existing Products, including:

- a once-off license, setup and implementation fee (for highly bespoke solutions, a development and customisation fee is also charged);
- annuity / recurring fees – these include a number of options, such as group monthly management fees, transaction fees, membership fee, and/ or a fee per outlet; and
- ad hoc revenue streams, which includes voucher issue or redemption fees, rentals, program administration and services fees, as described in Figure 2 below:

02. Company and CSB Engage overview

FIGURE 2: REVENUE STREAMS – EXISTING PRODUCTS

PRODUCT NAME	PRODUCT LOGO	LICENSE & SETUP	MONTHLY RECURRING	AD HOC (e.g vouchers)	SUBSCRIPTION
Clique		Yes	Yes	No	No
SIG		Yes	Yes	No	No
Trace		Yes	Yes	No	No
Muulla		Yes	Yes	Yes	No
LifelQ		Yes	Yes	Yes	No
FiiTR		No	No	No	Yes

(b) Sales and Marketing (channels to market, customers, pricing)

CSB Engage has prepared a multi-faceted business development and marketing strategy for deployment in the immediate and medium term following the closing of the Offer:

- (i) Collaboration Agreements: Developing relationships with a number of partners in each of the existing territories where the CSB Engage Business currently operates, and building on the experience and success of the Ogilvy One Worldwide (**Ogilvy**) agreement in Hong Kong. A summary of the Ogilvy agreement is provided in Section 10.3. This will assist CSB Engage in identifying key markets and opportunities for the CSB Engage Business going forward.

02. Company and CSB Engage overview

- (ii) Strategic Partnerships: CSB Engage intends to build scale in the small and medium enterprise market by targeting merchants in that space and their consumers to further develop the D2C market strategy. Identifying and securing key strategic partnerships in each territory with media owners, telecommunication suppliers and financial services companies will be important in achieving scalable outcomes. Generally, the merchants operating in this market sector tend to have either individual consumers or merchant customers that CSB Engage will target as potential consumers of the Existing products and / or the Developing Products.
- (iii) Staff: The recruitment of experienced and knowledgeable staff in each territory is anticipated to assist with securing existing business opportunities and potentially growing the number of new opportunities.

(c) Key Costs to the Business

CSB Engage's largest operating costs relate to staff costs. However, given the nature of CSB Engage's business, the future success of CSB Engage is dependent on its ability to hire, train and retain staff. The CSB Engage staff can be split into 2 main groups, as follows:

- (i) Product Developers and Coders: These staff members are a team of technology engineers and developers that keep the CSB Engage products and systems operating and functioning.
- (ii) Support and Business Development: These staff members provide technical support to the clients of CSB Engage, and assist with the deployment of technology platforms and products.

Section 7 addresses the proposed use of funds from the Offers.

2.7 Growth / Expansion plans

Following Completion the Company will focus on the CSB Engage D2C strategy, primarily by further developing the Developing Products and making them more widely available to consumers. The Developing Products are mobile applications that enable communications and transactions directly with the consumer, and which can be readily ported and deployed into new territories and regions.

While these B2B corporate service relationships have established a solid revenue base to date, the focus on the D2C strategy will be based on leveraging and implementing CSB Engage's SaaS business model to boost future revenue.

CSB Engage currently operates in Australia, South Africa and Singapore, with a list of clients in each of these territories. It has partnered with media giant Ogilvy to monetise its platform in Asia, the US and Europe and with Lifecycle Digital in Australia, and anticipates a partnership will be entered into with Blue Label Distribution (a Blue Label Telecoms company) in South Africa.

CSB Engage has executed commercial agreements with Lifecycle Digital and Ogilvy, both of whom are actively reselling the CSB Engage technology. CSB Engage has also executed a heads of agreement with Blue Label Distribution (a Blue Label Telecoms company) in South Africa, and is in the final stages of negotiating a commercial agreement and completing product integration.

CSB Engage's agreement with Lifecycle Digital is with respect to the provision of products and services to Lifestyle Digital as a white-labelled product which may be on-sold by Lifecycle Digital and branded as a Lifecycle Digital product. Similarly, the Ogilvy agreement allows re-sale of the CSB Engage products and services as a white-labelled product. Both agreements are exclusive arrangements for certain territories. Further, CSB Engage has an agreement with 8Z Pty Ltd (owned by Mobile Embrace) pursuant to which they may market content to subscribers. Please refer to section 10.3 for details of these agreements.

It is anticipated that CSB Engage will grow its revenue by moving from its dependence on traditional B2B relationships to a D2C strategy. This exploits the high growth prospects available through mobile applications that enable communications and transactions directly with the consumer.



02. Company and CSB Engage overview

The new revenue streams that result from this change in strategy include:

- subscription fees – where consumers pay a weekly or monthly subscription to gain access to information, benefits and offers;
- advertising fees – where merchants pay a subscription fee for access to the application platform where they can place advertisements and offers for their products;
- transaction fees – from providing an e-commerce and ordering platform where consumers can purchase goods and services from within the application platform;
- loyalty fees – by providing an open-loop loyalty platform where a fee is earned every time a consumer earns a loyalty benefit; and
- loyalty currency exchange fees – by providing global businesses who are operating in multiple locations and territories and using varying loyalty currencies, the ability to exchange loyalty currencies on a daily basis.

The revenue streams which CSB Engage currently anticipates may be derived from the Developing Products are described in Figure 3 below and Figure 8 in section 1.1(c):

FIGURE 3: REVENUE STREAMS – DEVELOPING PRODUCTS

PRODUCT NAME	PRODUCT LOGO	IN-APP ADVERTISING	VOUCHER REDEMPTION	LOYALTY AND ORDERING FEES	AFFILIATE MARKETING
AirBux		Yes	Yes	Yes	No
OnTraxx		Yes	Yes	No	Yes

02. Company and CSB Engage overview

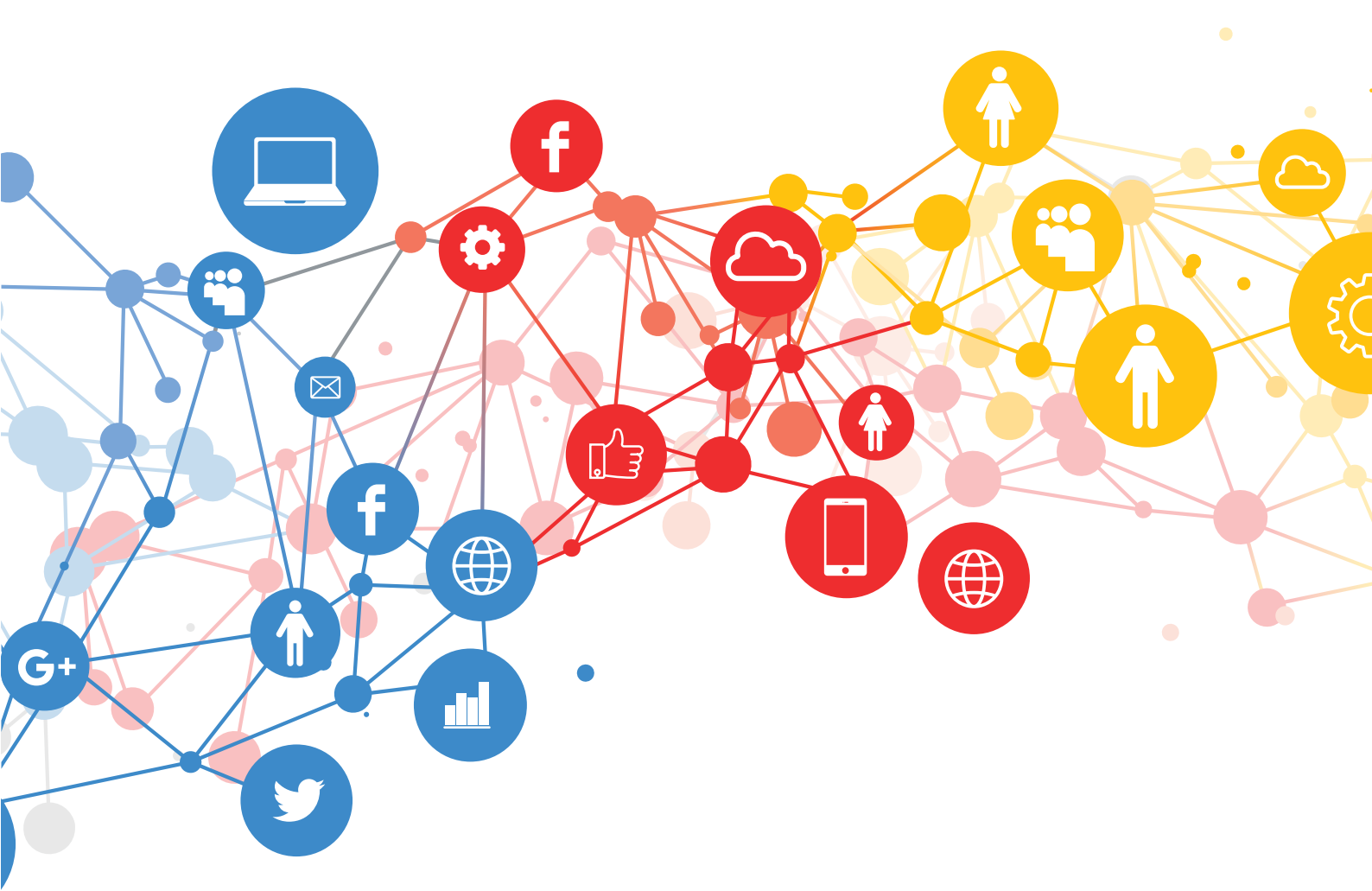
2.8 Intellectual Property

The CSB Engage Group holds certain registered trademarks in Australia which are used in conjunction with the CSB Engage Business:

Number	Name	Registration date	Renewal date	Class/es	Owner
1418170	WB WEBTERMINAL	14 April 2011	14 April 2021	35	Endless Rewards Pty Ltd (now Mobecom Australia)
1379716	ENDLESS REWARDS	3 September 2010	3 September 2020	16, 35, 36, 39	Endless Rewards Pty Ltd (now Mobecom Australia)
1083317	ACTIVE REWARDS	1 November 2005	1 November 2025	36, 39	Endless Rewards Pty Ltd (now Mobecom Australia)
1502096	SHUUGA	13 July 2012	13 July 2022	16, 35, 36	Onit Australia
1782519	airBux	11 July 2016	11 July 2026	9, 35, 36, 38, 39, 42	Onit Australia
1795509	Mobecom	Lodged 9 September 2016 (under examination)	N/A	35	Endless Rewards Pty Ltd (now Mobecom Australia)

The CSB Engage Group also holds certain domain names registered in Singapore and Australia, as described below:

Domain name	Registration date	Expiration date	Registrant	Registrant location
lifeiq.net	20 January 2015	20 January 2019	LifeAlly International Pte Ltd (LifeIQ Singapore)	Singapore
airbux.co	29 April 2016	28 April 2017	Onit Australia	Australia
muulla.com	26 November 2013	26 November 2016	Onit Australia	Australia
shuuga.com	23 September 2011	23 September 2017	Onit Australia	Australia
endlessrewards.com.au	15 June 2005	15 June 2017	Endless Rewards Pty Ltd (subsequently known as Mobecom Australia)	Australia
activerewards.com.au	23 September 2005	23 September 2017	Endless Rewards Pty Ltd (subsequently known as Mobecom Australia)	Australia
csbengage.com	8 April 2014	8 April 2017	Endless Rewards Pty Ltd (subsequently known as Mobecom Australia)	Australia
mobecom.co	26 August 2016	25 August 2018	Neil Joseph	Australia



03.

Industry overview of CSB Engage

Industry overview 03. of CSB Engage

3.1 Introduction

CSB Engage is a full stack customer engagement technology provider that delivers end to end technology solutions for businesses that want to engage with their customers via digital channels.

“Full stack” means that CSB Engage has developed proprietary technology to deliver a complete set of customer engagement technology requirements for an organisation, working with both back-end (databases) and front-end technology (design, mobile applications and websites).

CSB Engage operates in a market that is made up of a large number of specialist providers, many of which provide solutions for only a single component of a full stack customer engagement strategy. For example, to have a mobile application for a retail store, a business needs a mobile application, a database, content, integration with the store's POS system, a loyalty engine, a payment gateway, social media integration, and a business intelligence dashboard, among many other requirements.

To service those businesses that require only a component of a total solution, many competitors deliver one of these solutions, such as a loyalty engine, a mobile application, a database or a business intelligence dashboard. Problems with this approach include ensuring that these multiple technologies are integrated correctly, and overcoming the limitations associated with each of the varying technologies.

CSB Engage's technology platform provides businesses with the capability to engage customers in a multitude of ways via websites, through social media, via mobile applications, and even inside the business' retail outlets.

CSB Engage has developed each and every module agnostically – meaning that the company has developed their proprietary technology in such a way that a business can use one module only, or all of the modules combined into an end-to-end customer engagement solution.

This is important because it means that CSB Engage can deliver complete technology solutions to businesses, rather than the business requiring multiple suppliers. CSB Engage works with a wide variety of businesses, from individual retailers that just want a mobile application, to a shopping centre chain that wants a mobile application, a social media platform, a loyalty program, in-store iBeacons, and mobile ordering.

Through its interaction with businesses, CSB Engage is now developing two very targeted direct to consumer offerings designed to transition the business from a traditional B2B model, into a D2C model, being airBux and OnTraxx.

D2C, an abbreviation of “direct to consumer”, essentially means that CSB Engage is transitioning from providing businesses with customer engagement technology to use on their customers, to CSB Engage being directly engaged with the customers themselves.

3.2 Key sectors and markets

CSB Engage is able to operate across the following verticals:

- (a) **Loyalty:** the ability to provide a system that can reward consumers for their spending at the point of sale in retail, where the customer typically uses a plastic loyalty card to earn and redeem points for their purchases. The CSB Engage product that provides this solution is Clique, which is an engine which allows to reward customers across mobile, social, retail and e-commerce platforms.
- (b) **Social:** the ability to provide an engagement capability in newly developed social media platforms such as Facebook, Instagram and Twitter. The CSB Engage product that provides this solution is SIG, an application which links social media users to a brand.

03. Industry overview of CSB Engage

- (c) **Mobile:** the ability to provide customers with a branded smart-phone mobile application that can be used for loyalty, ordering and messaging. The CSB Engage product that provides this solution is Muulla, a mobile customer engagement platform.
- (d) **CRM (Customer Relationship Management):** the ability to provide a retailer with a customer database and marketing platform to be able to send out emails and SMS (and post) communications advertising products and services such as new season specials, new store openings, special offers and new interesting information and news. The CSB Engage product that provides this solution is Trace, a platform allowing clients to send communications directly to customers and members.
- (e) **Behavioural, Health & Wellness:** this includes a very broad spectrum of services and products including fitness programs, weight loss, healthy recipes, and health trackers. The CSB Engage product that provides this solution is LifelQ, a health and wellness engagement platform.

3.3 CSB Engage customers

CSB Engage has approximately 30 customers, with the top 20 customers equating the majority of the revenue derived by CSB Engage (around 80%). The CSB Engage client base spans across a number of industries and its application is not limited to any particular industry. Currently, the majority of CSB Engage's clients conduct their business in the retail, hospitality/restaurants, airline and professional services industries.

The table below provides a summary with respect to CSB Engage's top 5 customers:

Customer	Services	Territory
Lifecycle Digital	Digital rewards, customer relationship management and loyalty engine.	Australia
Cellarbrations	Customer relationship management program and e-commerce platforms for use by Octopus Group in Singapore.	Singapore
Panarottis Restaurants	Digital and Card customer relationship management and rewards programme.	South Africa
Mobile Embrace (8Z)	Provides white-label LifelQ mobile platform for subscription usage	Australia, UK
Jump Street	Build and implementation of the Jump Street website and digital customer relationship management programme.	Singapore

03. Industry overview of CSB Engage

3.4 Major market trends

CSB Engage is seeking to take advantage of two major trends in the consumer industry over the past decade, being: customer engagement through mobile (smart) phones, and the growth in the popularity of social networks including messaging and sharing applications and platforms.

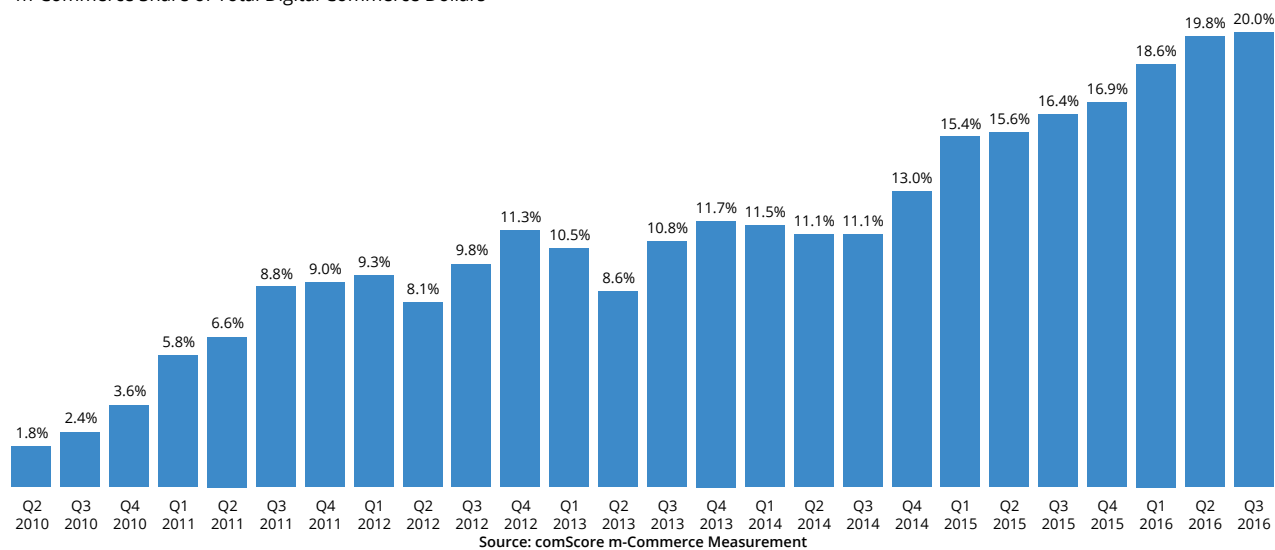
The main future trends that CSB Engage has identified are a growing concern with personal health and wellness and the increased popularity of cashless payments through mobile phones.

Mobile phone

More e-commerce transactions are being performed on mobile phones than ever before, from purchasing goods and services such as clothing and airline tickets, to searching for information and engaging with social media. Mobile phones are used to access social network sites, purchase goods and services, pay bills, do mobile banking and increasingly, access coupons and offers.

FIGURE 4: MOBILE COMMERCE AS PERCENTAGE OF DIGITAL COMMERCE

m-Commerce Share of Total Digital Commerce Dollars



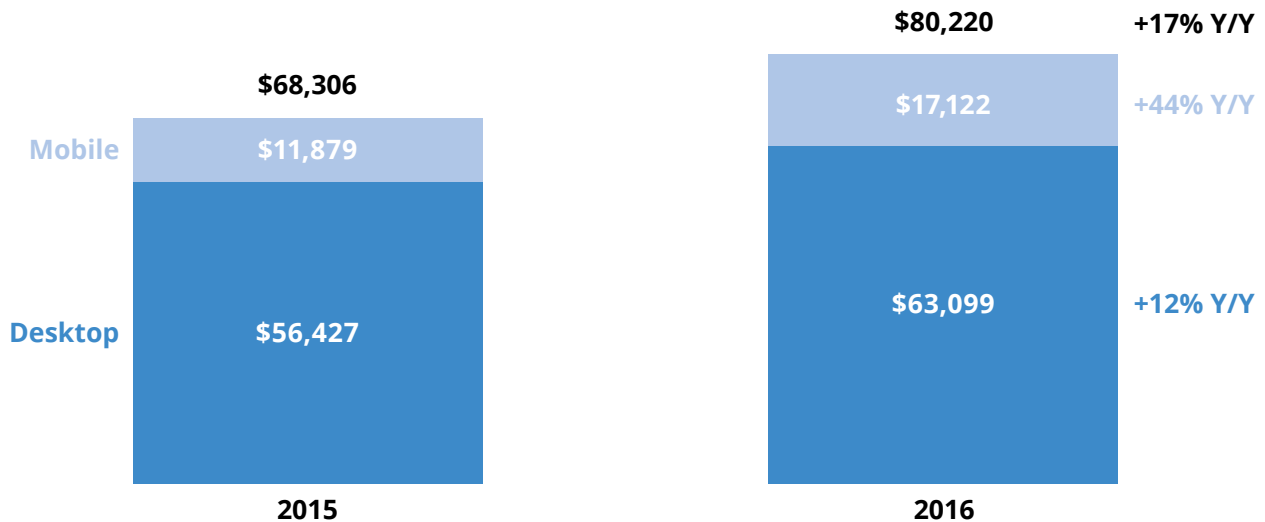
Source: <http://www.comscore.com/Insights/Blog/Q3-2016-Digital-Commerce-Hits-84-Billion-as-MCommerce-Accounts-for-20-of-Sales-for-1st-Time>

Through the Muulla product, CSB Engage is able to provide its clients with state-of-the-art mobile customer engagement solutions. airBux will also use this technology to drive consumer use and merchant retail participation.

03. Industry overview of CSB Engage

FIGURE 5: ONLINE US RETAIL SPENDING FOR NOVEMBER-DECEMBER 2015 AND 2016*

Total Online Retail Spending for Full Holiday Season: 2016 vs. 2015



Source: comScore e-Commerce & m-Commerce Measurement, U.S.

*Amounts are in billions of United States dollars.

Source: <http://www.comscore.com/Insights/Blog/Mobile-Pushes-2016-Online-Holiday-Spending-Above-80-Billion>

Another major trend in mobile use is the move by advertisers from traditional above-the-line advertising spend to include digital and mobile phone exposure. Although CSB Engage does not currently allow advertisers to target or directly market to CSB Engage consumers, it is anticipated that the future capability of both airBux and OnTraxx will enable advertisers to access a database of CSB Engage consumers in exchange for an advertising fee.

FIGURE 6: PROJECTED MOBILE INTERNET AD SPENDING WORLDWIDE

Mobile Internet Ad Spending Worldwide, 2013-2019							
	2013	2014	2015	2016	2017	2018	2019
Mobile internet ad spending (billions)	\$19.20	\$42.63	\$68.69	\$101.37	\$133.74	\$166.63	\$195.55
—% change	117.9%	122.1%	61.1%	47.6%	31.9%	24.6%	17.4%
—% of digital ad spending	16.0%	29.4%	40.2%	51.1%	59.4%	65.9%	70.1%
—% of total media ad spending	3.7%	7.8%	11.9%	16.5%	20.5%	24.1%	26.8%

Note: includes display (banners, video and rich media) and search; excludes SMS, MMS and P2P messaging-based advertising; ad spending on tablets is included
 Source: eMarketer, March 2015

186887 www.eMarketer.com

Source: <https://www.emarketer.com/Article/Mobile-Ad-Spend-Top-100-Billion-Worldwide-2016-51-of-Digital-Market/1012299>

03. Industry overview of CSB Engage

Social Media

Social Networks such as Facebook Twitter, Instagram and SnapChat have enjoyed unprecedented growth in user numbers.

Mobile devices such as smart phones, tablets and wearables (smart watches) are increasingly being used for access to social networks and activity. The Company expects that this access will be relevant to the CSB Engage Group because some of its products utilise social networks for sharing (for example, OnTraxx will allow members to share content with other members).

Health & Wellness

In the context of an aging population and rise in obesity and diabetes, people are concerned about their potential declining health, and organisations are also focusing on wellbeing of their employees in order to gain an emotional, financial and competitive advantage. CSB Engage considers that consumers want to be engaged by brands that enrich their lives and it is on this premise that CSB Engage is developing its health and wellness programs and platform, OnTraxx.

Mobile Payments

The trend in payments over the past 20 years has moved more and more towards cashless payments with the proliferation of credit and debit cards in Australia and around the world. Near field communication Eftpos terminals and integrated payment networks into POS are making payment easier, with customers using tap-and-go cards with smart chips embedded. Recently, Apple Pay and Android Pay products, with smart chips embedded into the actual mobile phone itself, allow customers to be able to pay at POS without having to use cash or even a card.

The next phase of development in relation to the payment process is a function to allow the consumer to pay from their mobile phone while in participating merchants' stores by using a one-time password. This function is currently being developed for airBux.

3.5 Key competitors

Although CSB Engage has competitors in the marketplace that may be strong in one service area, the Directors understand that there are very few (if any) competitors that are able to provide a fully integrated solution of all of the services and products offered by CSB Engage. CSB Engage offers retail, social, mobile and e-commerce solutions under one roof.

The Australian, Asian and South Africa markets are very competitive. New entrants to the customer engagement, mobile and cloud technology solutions market generally find it difficult to win new business. CSB Engage often competes against the larger market players including companies such as PerX and Capillary in South East Asia, and Rewardle, Plexure and Loke in Australia.

CSB Engage's competitors generally operate across a single solution channel and therefore only compete with one or two of CSB Engage's products. However, no competitor appears to offer a full suite of engagement products like CSB Engage does. A summary of CSB Engage's competitors in the relevant markets is set out in the table below.

CSB Engage's competitive advantage is in the ability to deliver multiple solutions for its clients across a number of different channels. CSB Engage is a medium sized company in this sector of the market and is a similar size in revenue to some existing listed and non-listed companies. CSB Engage's operating costs are significantly lower than its listed competitors, which allows CSB Engage to be able to price its product offering competitively to secure and retain business.

03. Industry overview of CSB Engage

CSB Engage's competitors include:

In Singapore:

Loyalty Engine	Social CRM	Mobile Loyalty	CRM and Data	Health & Wellness
Capillary Tech	Circus Social	-	Capillary Tech	CXA
CPR Vision	Vocanic	Perx	Eloqua	Keas.com
-	MigMe	-	Neolane	Dacadoo.com
-	-	-	Adobe	-

In Australia:

Loyalty Engine	Social CRM	Mobile Loyalty	CRM and Data	Health & Wellness
Pinpoint Marketing	-	Vmob	Lifecycle Digital	Vitality
Rewardle	-	Gruden	Quantium	-
Qantas	-	Loke	Gruden	-
Lyones	-	Paydiant	-	-

In South Africa:

Loyalty Engine	Social CRM	Mobile Loyalty	CRM and Data	Health & Wellness
Maxi Club	-	WiGroup	P Cubed	Vitality
-	-	Skip The Q	-	-

3.6 The future of the Company

If the Proposed Transaction proceeds, the Company intends to implement the business plan that has been developed by CSB Engage to commercially exploit a number of global opportunities.

As CSB Engage has sold products into 11 countries, with offices across 3 countries (Australia, Singapore, and South Africa) for 7 years, the CSB Engage Vendors are of the opinion that CSB Engage is very well positioned to take advantage of a number of global agreements, channel and strategic partnerships that have been negotiated and finalised in some instances, and that are in the mid to late stages of negotiation in others.

To date, CSB Engage has entered into letters of intent, commercial agreements, and/or strategic partnerships with a variety of customers in the telecommunications, point of sale and marketing spaces.

03. Industry overview of CSB Engage

In the immediate term, upon Completion of the Proposed Transaction, the CSB Engage Vendors intend to procure that the Company:

- fast track its SaaS platforms in both the mobile and health and wellness market sectors;
- finalise the development process for the airBux product,
- create access to the Company's existing core customer engagement products through new application program interfaces;
- secure and grow strategic alliances in existing territories; and
- continue to capitalise on CSB Engage's strategic partnerships and grow CSB Engage's existing business and pipeline for the core product offerings in Africa, Australia and South East Asia.

3.7 AirBux Platform

A key part of the Company's future strategy is the airBux platform.

The airBux platform is built on CSB Engage's existing Muulla technology platform. The main benefit for merchants is that this platform has been developed in a modular fashion allowing multiple participants to engage with the platform.

(a) AirBux Functionality

Using airBux, a merchant is able to (via a secure, online content management system):

- (i) list all of its physical store locations, each location having a physical address linked to a geo-location;
- (ii) advertise its products and services; and
- (iii) link a coupon to each advertisement.

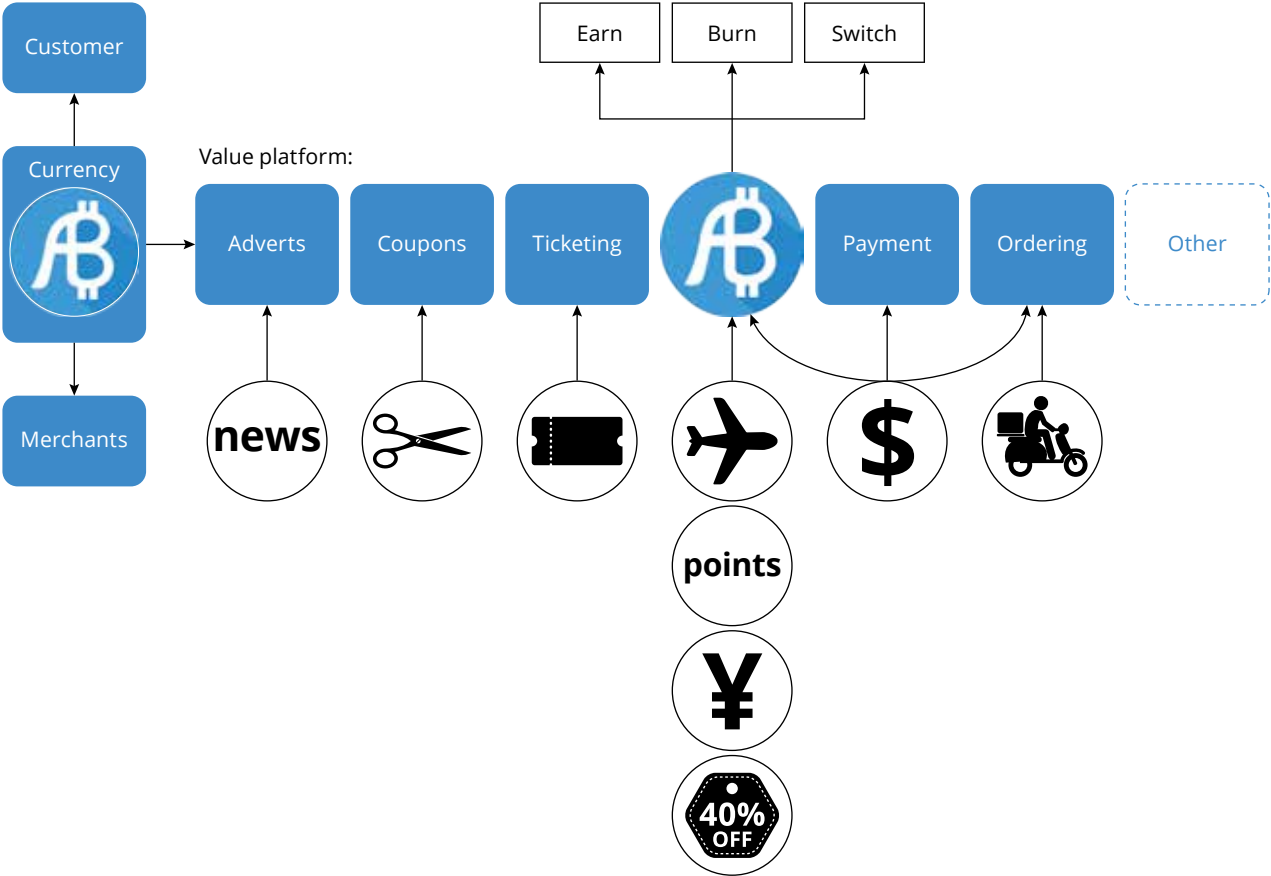
The consumer downloads the application from the Apple and Android app stores, and is able to:

- (i) receive the advertisements for products and services listed above;
- (ii) find the retail outlets using the search facilities and geo-location ring-fence;
- (iii) purchase products, tickets, tours, take-out, home delivery;
- (iv) search for deals and offers in their local area; and
- (v) exchange third party loyalty points for airBux points.

The functions of the airBux platform are depicted below, in Figure 7.

03. Industry overview of CSB Engage

FIGURE 7: AIRBUX PLATFORM FUNCTIONALITY



03. Industry overview of CSB Engage

(b) Types of participants

As depicted in Figure 7, airBux is open to all types of merchants to participate. These may include airline partners, clothing retailers, fuel retailers, coffee shops, banks, telecommunications companies and mobile carriers, media owners, radio stations and news media.

(c) How will airBux make money?

It is anticipated that there will be multiple revenue streams available to CSB Engage from this model, and these are similar to the existing revenue streams in the CSB Engage product suite.

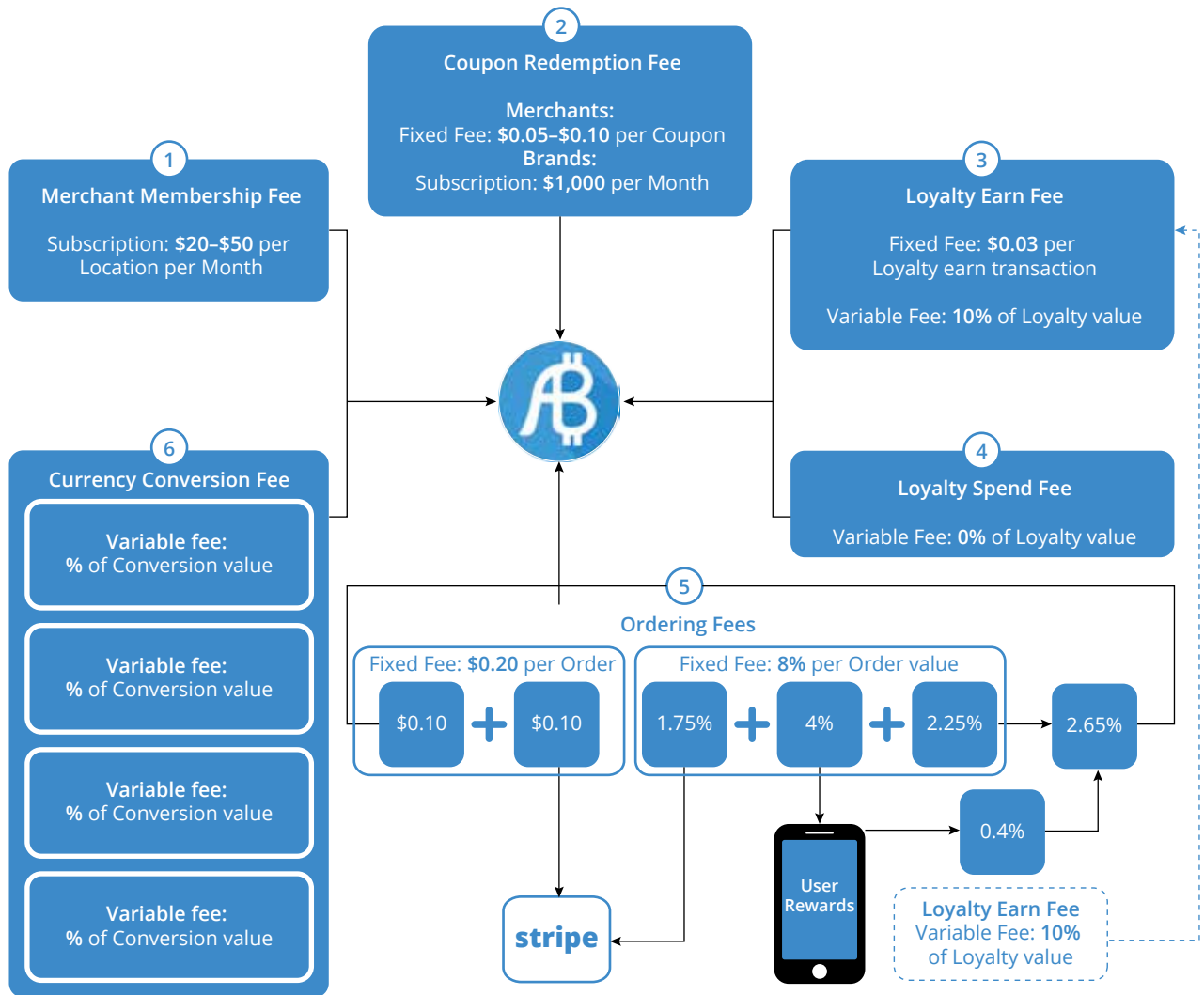
It is proposed that CSB Engage will earn revenue from:

- (i) **subscriptions:** monthly subscription fees from merchants;
- (ii) **coupon redemptions:** each time a coupon is redeemed in store airBux will charge the brand owner/retailer a fee;
- (iii) **transaction fees:** each time a transaction takes place and a consumer earns an airBux reward, CSB Engage will charge a transaction fee to the merchant. The merchant therefore only pays a fee on success;
- (iv) **redemption fee:** when a reward is redeemed, CSB Engage will charge a fee on the gross purchase price;
- (v) **ordering and purchase:** each time a consumer places an in-app order for collection or delivery, CSB Engage will charge an additional fee;
- (vi) **platform charges:** This uses partner provider 'Stripe' for all in-app payments. This platform is considered the market leader in this space, and is secure and compliant with the Payment Card Industry Data Security Standard; and
- (vii) **currency conversion:** Each time an airBux consumer swaps loyalty points from a third party supplier (such as an airline), airBux will charge a marginal exchange fee.

Please refer to Figure 8 below, which sets out the anticipated fee structure from the airBux model:

03. Industry overview of CSB Engage

FIGURE 8: AIRBUX FEE STRUCTURE



03. Industry overview of CSB Engage

(d) Proposed airBux Global Strategy

The statements set out below are statements of current intentions only and may vary as new information becomes available or if circumstances change, and are made on the assumption that the Proposed Transaction is approved.

The Company intends to:

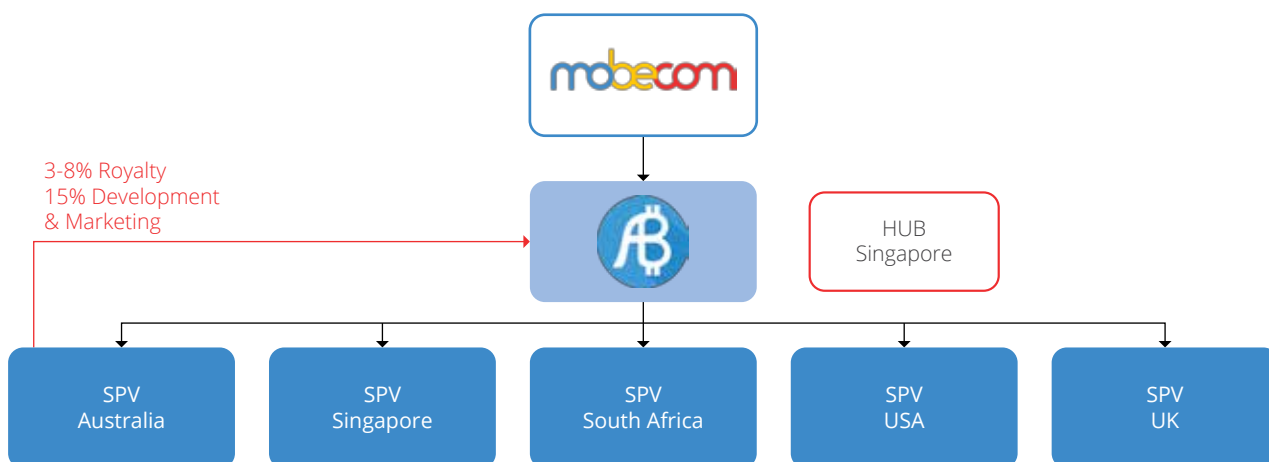
- establish a number of international special purpose vehicle companies (**airBux SPVs**) to enable the global licensing of the airBux technology and intellectual property into a number of defined territories, being Australia, Singapore, South Africa, United States, the United Kingdom and South Korea (**airBux Territories**);
- it is intended that a new company be incorporated as a wholly owned subsidiary of the Company, which will hold the airBux intellectual property (**airBux Holding Company**). The airBux Holding Company will most likely be established in, and operated from Singapore, as the new Directors consider Singapore to be the best suited jurisdiction for global strategy. Upon incorporation of the airBux Holding Company, the airBux SPVs will be incorporated in each airBux Territory; and
- the airBux Holding Company will then license the airBux product and technology to the airBux SPV in each airBux Territory, in exchange for license fees. It is currently proposed that each airBux SPV will pay an annual royalty fee of between 3% and 8% of its gross revenue plus an annual marketing and development fee of 15% of its revenue to the airBux Holding Company.

It is intended that a Shareholders' Agreement and License Agreement will be implemented for each airBux SPV which will allow for third party equity and revenue participation. The objective is to give each airBux SPV its own local governance, which will allow each airBux SPV to be nimble and reactive and rapidly develop its geographic market.

The constituent documentation of each airBux SPV will incorporate certain standard provisions including with respect to voting rights, equity contributions, transfer of equity, intellectual property issues, and royalties to ensure the Company maintains ultimate control over the direction of the airBux business.

As the third party equity owners share in increase in the valuation of the airBux SPV (and will have some say in operational and strategic matters), CSB Engage considers that this structure may encourage third party owners to focus on the airBux business for long term gain and ensuring its future success in their territory and globally.

FIGURE 9: PROPOSED AIRBUX SPV STRUCTURE



03. Industry overview of CSB Engage

It is intended that the following intellectual property issues will be covered in the airBux SPV arrangements:

- (i) an intellectual property license agreement over the intellectual property in airBux will be exclusive to each airBux SPV in its territory;
- (ii) intellectual property relating to technology will 100% owned by airBux Holdings, and rights to local customer and merchant data will be held by airBux SPVs; and
- (iii) airBux Holdings will have the right to any enhancement of the intellectual property in the airBux platform or product that is created in an airBux SPV, and a rebate may be provided against the royalties payable.

(e) How will it work

Modelled on other very successful SaaS platforms such as Uber, Menulog and AliBaba, airBux will require a well populated 2-sided marketplace, consisting of consumers and participating merchants. The primary objective in each territory is to secure high local densities of both consumers and merchants to ensure relevance and participation.

(f) Immediate Opportunities Identified

CSB Engage has identified certain immediate opportunities in relation to the airBux product in Singapore, South Africa and Australia, as outlined below. The proposed airBux SPV structures (identified in Figure 9) may be implemented in the future depending on the commercial agreement between the parties and each participant's desired outcome with respect to equity involvement.

(i) Singaporean

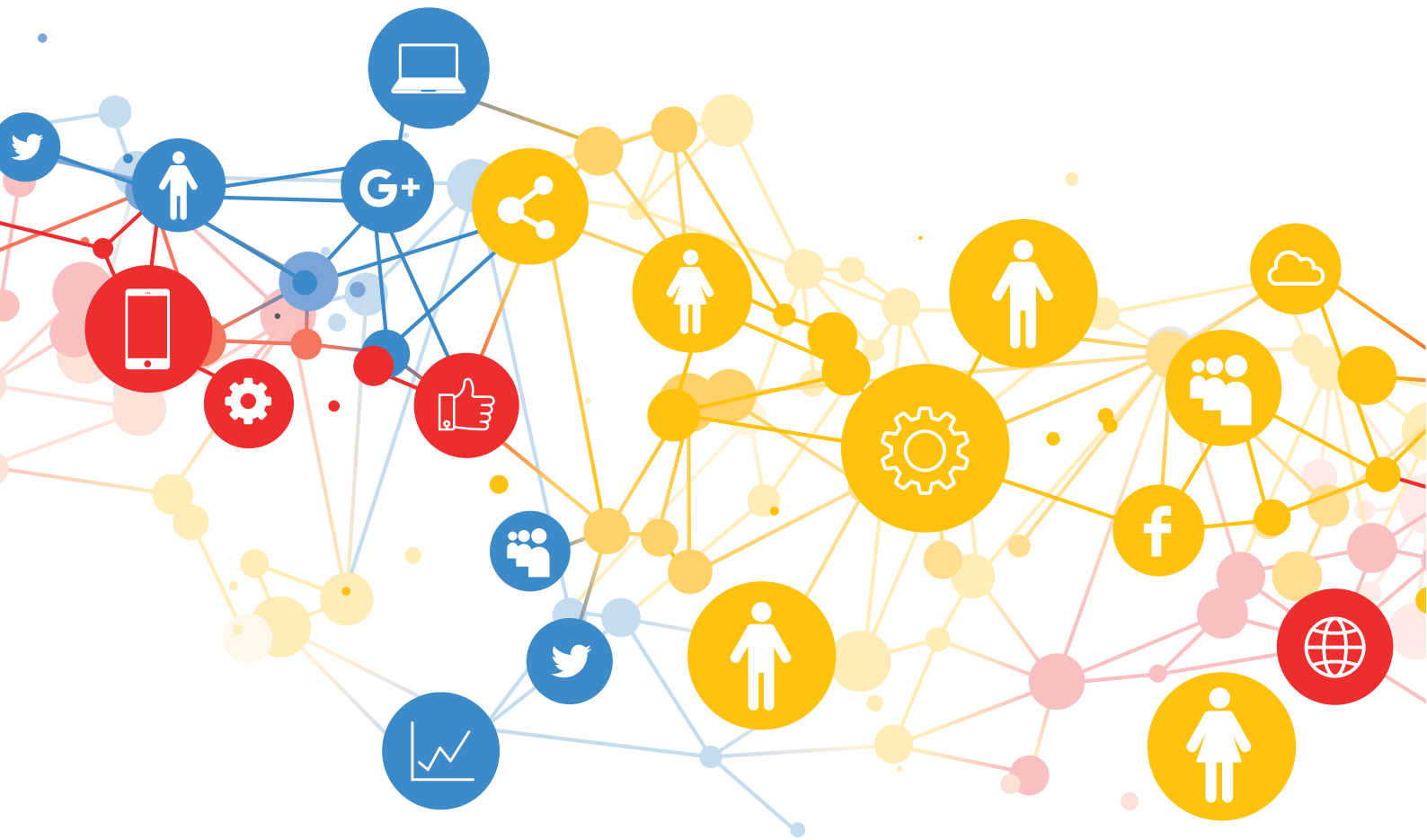
CSB Engage has entered into a heads of agreement with the Network for Electronic Transfers (Singapore) Pte Ltd (**NETS**) and CSB Engage anticipates that the airBux platform may be deployed on the payment platform operated by NETS. The Heads of Agreement, which is subject to the execution of a further agreement, contemplates that airBux shall have access to the NETS terminal network in Singapore, comprising over 95,000 terminals at 27,000 merchants, and that CSB Engage will pay to NETS a transaction fee on every successful airBux transaction on the network. Please refer to section 10.3 for the Heads of Agreement between NETS and CSB Engage.

(ii) Australian

Following completion of the airBux test phase with BigCat, CSB Engage anticipates that airBux may be deployed into major Australian metropolitan areas. This can be facilitated by completing the integration of airBux into POS systems and selected payment networks.

(iii) South African

CSB Engage SA has signed a preliminary agreement with Cellfind (Pty) Ltd (a subsidiary of Blue Label Telecoms) identifying a number of initiatives to work together on. One of these initiatives included the integration of airBux with one of their direct to consumer applications, called 'Imalimate' (please refer to <http://www.imalimate.com/>). Following this integration and testing, the parties will seek other opportunities for a larger airBux strategy in Africa. Please refer to section 10.3 for details of the agreement between CSB Engage SA and Cellfind (Pty) Ltd.



04.

Financial information

Financial information

04.

4.1 Introduction

The financial information for the Company and CSB Engage contained in this Section 4 includes:

- (a) pro forma historical financial information for the Company and CSB Engage being the pro forma historical statement of financial position as at 31 December 2016 (**Pro Forma Historical Balance Sheet**);
- (b) statutory historical statements of comprehensive income for the years ended 30 June 2014 (**FY2014**), 30 June 2015 (**FY2015**), and 30 June 2016 (**FY2016**) and for the 6 months ended 31 December 2016 (**HY2017**) (**Historical Results**); and
- (c) statutory historical statements of cash flows for the years ended 30 June 2014, 30 June 2015, and 30 June 2016 and for the 6 months ended 31 December 2016 (**Historical Cash Flows**),
(the **Historical Financial Information**).

Also summarised in this Section 4 are:

- The basis of preparation and presentation of the Financial Information.
- The Company's and CSB Engage's proposed dividend policy (see Section 4.8).

All amounts disclosed in the tables in this Section 4 are presented in Australian dollars.

The Company's and CSB Engage's financial year ends on 30 June. References to financial year 2016 or FY2016, for example, refer to its financial year ended June 30 2016.

4.2 Overview

Under the terms of the Investor Offer, the Company is offering to issue up to 45,000,000 Shares to raise at least \$5,000,000 and up to \$9,000,000. See Key Investment Highlights and Section 7.2 for further details of the Investor Offer.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards issued by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

The financial information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Company's key accounting policies have been consistently applied throughout the periods presented and are set out in Section 4.9.

The information in this Section 4 should be read in conjunction with the risk factors set out in Section 5, the Investigating Accountants Report set out in Section 9 and other information contained in this Prospectus.

04. Financial information

4.3 Preparation of Historical and Pro Forma Historical Financial Information

The Historical Financial Information has been extracted from the Company's and CSB Engage's audited financial statements for FY2014, FY2015, FY2016 and reviewed financial statements for HY2017.

(a) The Company

The FY2014 and FY2015 statutory financial statements of the Company were audited by its external auditor at the time, DFK Laurance Varnay, which issued unqualified audit opinions.

The FY2016 statutory financial statements of the Company were audited by its external auditor, HLB Mann Judd Assurance (NSW) Pty Ltd, which issued a qualified audit opinion in relation to the carrying value of exploration and evaluation assets. The Auditors Reports also contained an emphasis of matter regarding the going concern of the Company due to the losses incurred, a deficiency in net assets and net cash outflows from operating activities.

The HY2017 financial statements of the Company were subject to review by HLB Mann Judd Assurance (NSW) Pty Ltd, which issued an unqualified review conclusion with an emphasis of matter regarding the going concern of the Company due to the losses incurred, a deficiency in net assets and net cash outflows from operating activities.

(b) CSB Engage Group

The FY2014 and FY2015 statutory financial statements of CSB Engage were audited by its external auditor at the time, CA TRUST PAC Public Accountants and Chartered Accountants Singapore, which issued unqualified audit opinions.

The FY2016 statutory financial statements of CSB Engage were audited by its external auditor, HLB Mann Judd Assurance (NSW) Pty Ltd, which issued an unqualified audit opinion. The Auditors' report also contained an emphasis of matter regarding a net capital deficiency.

The HY2017 financial statements of CSB Engage were subject to review by HLB Mann Judd Assurance (NSW) Pty Ltd, which issued an unqualified review conclusion. The Auditors' report also contained an emphasis of matter regarding a net capital deficiency.

The Historical Financial Information is summarised in Tables 2 and 3 in Section 4.10.

The Pro Forma Historical Financial Information has been prepared for the purposes of inclusion in this Prospectus. It has been derived from the Historical Financial Information, with pro forma adjustments being made to reflect the Company's capital structure following completion of the Offer.

The Historical and Pro Forma Historical Financial Information included in this Prospectus has been reviewed by Hall Chadwick Corporate (NSW) Limited but has not been audited. Investors should note the scope and limitations of the Investigating Accountant's Report (see Section 9). See Table 1 in Section 4.5 for a reconciliation between the Historical Balance Sheet and Pro Forma Historical Balance Sheet.

Investors should note that past results are not a guarantee of future performance.

4.4 Pro Forma Historical Statement of Financial Position

Table 1 sets out the adjustments that have been made to the Historical Statement of Financial Position as at 31 December 2016 to prepare the Pro Forma Historical Statement of Financial Position for the Company. These adjustments reflect certain pro forma adjustments including the impact of the operating and capital structure that will be in place following completion of the Offer as if it had occurred or was in place as at 31 December 2016.

04. Financial information

TABLE 1: PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Company Reviewed 31 Dec 2016 ⁽¹⁾	CSB Engage Reviewed 31 Dec 2016 ⁽²⁾	Pro-forma Adjustments	Pro-Forma Minimum subscription	Pro-Forma Maximum subscription
	AUD	AUD	AUD	AUD	AUD
Assets					
Current assets					
Cash and cash equivalents	295,662	444,314	4,014,158	4,754,134	8,514,134
Trade and other receivables	36,972	780,333	(14,330)	802,975	802,975
Amounts due from related parties	-	58,359	-	58,359	58,359
Other assets	5,445	-	-	5,445	5,445
Total current assets	338,079	1,283,006	3,999,828	5,620,913	9,380,913
Non-current assets					
Prepayments	-	41,989	-	41,989	41,989
Property, plant & equipment	1,668	28,846	(1,668)	28,846	28,846
Intangible assets	-	491,399	-	491,399	491,399
Security deposits	-	16,816	-	16,816	16,816
Total non-current assets	339,747	579,049	(1,668)	579,049	579,049
Total assets	339,747	1,862,056	3,998,160	6,199,963	9,959,963
Liabilities					
Current liabilities					
Trade and other payables	488,798	2,080,384	(458,292)	2,110,890	2,110,890
Borrowings	-	703,647	-	703,647	703,647
Amounts due to related parties	-	2,363,820	-	2,363,820	2,363,820
Total current liabilities	488,798	5,147,851	(458,292)	5,178,357	5,178,357
Total liabilities	488,798	5,147,851	(458,292)	5,178,357	5,178,357
Net assets	(149,051)	(3,285,795)	4,456,452	1,021,606	4,781,606
Equity					
Issued capital	24,712,023	3,137,710	(15,108,661)	12,741,072	16,430,272
Non-controlling interests	-	47,241	-	47,241	47,241
Option Reserve	-	-	585,730	585,730	656,530
Foreign currency reserve	-	161,638	-	161,638	161,638
Accumulated losses	(24,861,074)	(6,632,384)	18,979,383	(12,514,075)	(12,514,075)
Total equity	(149,051)	(3,285,795)	4,456,452	1,021,606	4,781,606

Notes:

- (1) Column 1 represents the statement of financial position of the Company as at 31 December 2016.
- (2) Column 2 represents the statement of financial position of CSB Engage as 31 December 2016.
- (3) Column 3 represents pro forma adjustments required to reflect material or significant events since 31 December 2016 and after the conduct of the Investor Offer and related transactions disclosed at Section 4.5 assuming the Minimum Subscription Amount is raised.
- (4) Column 4 and column 5 represent the pro forma consolidated statement of financial position of the Company after the conduct of the minimum and maximum Investor Offer and related transactions disclosed in the Prospectus.

04. Financial information

4.5 Pro forma adjustments to the Statement of Financial Position

The pro forma adjustments made to the Historic Balance Sheet of the Company and CSB Engage as at 31 December 2016 (being the most recently reviewed statement of financial position by the Company's auditor) reflect the following events and assumptions:

(a) Pro-forma transactions which are yet to occur but are proposed to occur representing the Proposed Transaction and Offers and comprise:

- (i) In accordance with a resolution approved by the Existing Shareholders at the General Meeting, the Company's share capital shall be consolidated through the conversion of every 28 Shares into 1 Share.
- (ii) The acquisition of 100% of the issued capital of CSB Engage through the issue of 112,451,788 shares at the price of \$0.20 per share, being the shares the subject of the Vendor Offer.
- (iii) Reverse acquisition accounting entries to reflect the Transaction.
- (iv) Issue of Directors and staff shares: the issue of 2,921,485 fully paid shares at \$0.20 each amounting to \$584,297 to settle fees and amounts owing to directors, management and Mr. Benjamin Kirkpatrick (former employee).

(v) *Minimum subscription*

The issue of 25,000,000 shares at the offer price of \$0.20 per share to raise \$5 million (before costs), being the shares the subject of the Investor Offer. Offer and other transaction costs which are interdependent total \$1,335,434 of which \$998,397 has been deducted directly against equity and \$337,037 expensed.

These costs include legal and compliance fees and the costs of professional advisors, including a share based payment to the Promoter comprising the issue of 297,619 ordinary shares at an issue price of \$0.20 per share totalling \$59,524 which has been deducted against equity and the issue of 4,963,817 options over ordinary shares for services related to the Offers exercisable at \$0.26 each. The options expire three years' from the date of issue. The options vest immediately and have a fair value of \$585,730 which has been deducted directly against equity.

A breakdown of the offer and other transaction costs is set out in Section 10.9. No tax benefit has been recognised in respect of the Offer and other transaction costs.

(vi) *Maximum subscription*

The issue of 45,000,000 shares at the offer price of \$0.20 per share to raise \$9 million (before costs), being the shares the subject of the Investor Offer. Offer and other transaction costs which are interdependent total \$1,646,234 of which \$1,309,197 has been deducted directly against equity and \$337,037 expensed.

These costs include legal and compliance fees and the costs of professional advisors, including a share based payment to the Promoter comprising the issue of 297,619 ordinary shares at an issue price of \$0.20 per share totalling \$59,524 which has been deducted against equity and the issue of 5,563,817 options over ordinary shares for services related to the Offers exercisable at \$0.26 each. The options expire 3 years from the date of issue. The options vest immediately and have a fair value of \$656,530 which has been deducted directly against equity.

A breakdown of the offer and other transaction costs is set out in Section 10.9. No tax benefit has been recognised in respect of the offer and other transaction costs.

04. Financial information

(b) Material or significant events since 31 December 2016 to the date of this Prospectus reflected in the pro forma financial information are set out below:

(i) Working Capital

The Company anticipates working capital expenses of approximately \$525,662 until close of the Transaction.

(ii) Property, plant and equipment

Computer equipment with a written down value of \$1,668 as at 31 December 2016 has since been sold. The pro-forma balance sheet was adjusted accordingly.

(iii) Issue of Convertible Notes and attaching options

On 21 February 2017, the Company issued 1,000 convertible notes for a subscription price totalling \$100,000 (i.e. \$100 principal face value per convertible note), and 50,000 attaching options.

Convertible notes

The convertible notes bear no interest for the first four months from the date of issue, after which an interest rate of 8% per annum applies. The convertible notes may be converted into Shares in the Company, with the number of Shares issued being equal to the principal value of each note divided by \$0.20, in the event of:

- Shares being allotted or transferred under a prospectus;
- if 50% or more of the assets of, or Shares in, the Company are sold;
- the Company becoming insolvent; or
- 12 months from the date of issue.

The convertible notes may be redeemed for the principal money in the event of an insolvency situation.

Attaching Options

Each option may be converted into one Share in the Company prior to the expiry date of the options. The exercise price per option is \$0.26. The options expire on 21 February 2020 if not exercised.

(iv) Issue of Convertible Notes and attaching options to Sir Warwick Andrew

Pursuant to the Existing Shareholders' approval received at the General Meeting, the Company has issued 650 convertible notes for a subscription price totalling \$65,000, (i.e. \$100 principal face value per convertible note) and 32,500 attaching options at nil consideration. The convertible notes convert into 325,000 Shares at completion of the Proposed Transaction.

Each option may be converted into one Share in the Company prior to the expiry date of the options. The exercise price per option is \$0.26. The options may be exercised at any time during the 36 month period following the completion of the Proposed Transaction (following the expiry of which period, the options automatically expire).

(v) Issue of Convertible Notes and attaching options to Neil Herbert

Pursuant to the Existing Shareholders' approval received at the General Meeting, the Company has issued 650 convertible notes for a subscription price totalling \$65,000, (i.e. \$100 principal face value per convertible note) and 32,500 attaching options at nil consideration. The convertible notes convert into 325,000 Shares at completion of the Proposed Transaction.

Each option may be converted into one Share in the Company prior to the expiry date of the options. The exercise price per option is \$0.26. The options may be exercised at any time during the 36 month period following the completion of the Proposed Transaction (following the expiry of which period, the options automatically expire).

All Convertible Notes detailed above are assumed to be converted on completion of the Proposed Transaction and are reflected in Issued Capital.

04. Financial information

4.6 Commentary on major items included in Consolidated Statement of Financial Position as at 31 December 2016

The key items included in the Consolidated Statement of Financial Position as at 31 December 2016 are:

(a) Cash and Cash Equivalents

	Pro forma minimum raise \$	Pro forma maximum raise \$
Cash and cash equivalents at 31 December 2016		
Per Company as at 31 Dec 2016	295,662	295,662
Per CSB Engage as at 31 December 2016	444,314	444,314
Total as at 31 December 2016	739,976	739,976
Pro forma transactions:		
Proceeds from the shares issued pursuant to the Investor Offer	5,000,000	9,000,000
Proceeds from convertible notes	230,000	230,000
Payment of the Offer costs	(690,180)	(930,180)
Estimated working capital expenditure of the Company to the end of the transaction	(525,662)	(525,662)
Pro forma cash and cash equivalents	4,754,134	8,514,134

04. Financial information

(b) Issued Capital

	Number of Shares	Pro forma minimum raise \$	Number of Shares	Pro forma maximum raise \$
Company issued capital as at 31 December 2016	661,911,334	24,712,023	661,911,334	24,712,023
CSB Engage issued capital as at 31 December 2016	23,639,727	3,137,710	23,639,727	3,137,710
Pro forma transactions:				
Consolidation of Shares at a ratio of 28:1	23,639,727	-	23,639,727	-
Issue of Company Shares to CSB Engage Vendors on reverse acquisition	112,451,788	-	112,451,788	-
Elimination of issued capital of the Company on reverse acquisition	-	(24,712,023)	-	(24,712,023)
Deemed fair value of share-based payment to Existing Shareholders on reverse acquisition	-	4,727,938	-	4,727,938
Issue and proceeds from Shares issued pursuant to the Investor Offer	25,000,000	5,000,000	45,000,000	9,000,000
Promoter Shares	297,619	59,524	297,619	59,524
Director and Staff Shares	2,921,485	584,297	2,921,485	584,297
Investment by Kempson Capital Pty Limited	500,000	100,000	500,000	100,000
Investment by Sir Warwick Andrew	325,000	65,000	325,000	65,000
Investment by Neil Herbert	325,000	65,000	325,000	65,000
Capital raising costs pursuant to the Offers	-	(998,397)	-	(1,309,197)
Total pro forma adjustments	-	(15,108,661)	-	(11,419,461)
Pro forma issued capital	165,460,619	12,741,072	185,460,619	16,430,272

4.7 Forecast Financial Information

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings beyond the expected listing date on the basis that the operations of the Company are inherently uncertain. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

04. Financial information

4.8 Dividend policy

Depending on available profits and the financial position of the Company, it is not the current intention of the Board to declare dividends in respect of the year ended 30 June 2017. The payment of a dividend by the Company is at the discretion of the Directors and will be a function of a number of factors, including the general business environment, the operating results and financial condition of the Company, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by the Company, and any other factors the Directors may consider relevant.

No assurances can be given by any person, including the Directors, about the payment of any dividend and the level of franking on any such dividend in future periods. There may be periods in respect of which dividends are not paid.

Please read the risk factors set out in Section 5 of this Prospectus.

4.9 Key accounting policies and material accounting matters

Set out below are a number of significant accounting policies and other material accounting matters that have been used in the preparation of the Financial Information in this Section 4.

(a) Basis of preparation

The consolidated financial statements of the CSB Engage Group have been drawn up in accordance with AASB and Singapore Financial Reporting Standards (**FRS**). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. Compliance with Australian Accounting Standards means that the financial statements also comply with International Financial Accounting Standards.

(b) Foreign currency

The financial statements of CSB Engage are presented in Singapore Dollars (**SGD**), which is also that company's functional currency. Each entity in the CSB Engage Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. For the purpose of the financial information contained in this section, financials have been converted into Australian Dollars.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period (**Mobecom Group**). The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

(d) Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

04. Financial information

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Useful lives

Machinery and equipment	3-7 years
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The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

(e) Intangible assets

Intangible assets relate to capitalised software development costs, and are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

These intangible assets are considered to have finite useful lives, and are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end.

(f) Subsidiaries

A subsidiary is an investee that is controlled by the Mobecom Group. The Mobecom Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are accounted for at cost less impairment losses.

(g) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Mobecom Group becomes a party to the contractual provisions of the financial instrument. The Mobecom Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value less directly attributable transaction costs.

(ii) Subsequent measurement

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

(h) Impairment of financial assets

The Mobecom Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

04. Financial information

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, cash on hand and fixed deposits which are subject to an insignificant risk of changes in value. These also includes bank overdrafts (credit cards) that form an integral part of the Mobecom Group's cash management.

(j) Provisions

Provisions are recognised when the Mobecom Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Borrowings

Borrowings are presented as current liabilities unless the Mobecom Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recorded at fair value, net of transaction costs, and subsequently carried at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings which are due to be settled within twelve months after the balance sheet date are included in current borrowings in the balance sheet even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue.

(l) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Employee benefits

(i) Defined contribution plans

The Mobecom Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Mobecom Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Mobecom Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(n) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Mobecom Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

04. Financial information

(i) Rendering of services

Revenue from consultancy services is recognised upon the completion of services, which generally coincides with acceptance by customers.

(ii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(iii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the lease terms. The aggregate costs of incentives provided to the lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(o) Taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Mobecom Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, where deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

04. Financial information

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(p) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(q) Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

04. Financial information

4.10 Historical Financial Information

The Historical Results and Historical Cash Flows for the years ended 30 June 2014, 30 June 2015 and 30 June 2016 and half year ended 31 December 2016 are set out below.

TABLE 2: HISTORICAL RESULTS

	FY2014 AUD	FY2015 AUD	FY2016 AUD	HY2017 AUD
Revenue from continuing operations	30,373	424,135	1,993	127
Cost of sales	-	(325,112)	-	-
Administration and other costs	(267,848)	(340,493)	(202,521)	(66,442)
Compliance costs	(114,435)	(106,910)	(98,843)	(48,409)
Consultancy expenses	(253,331)	(215,490)	(612,558)	(17,117)
Depreciation	(553)	-	(477)	(239)
Employee benefits, Directors fees, management fees and on costs	(201,170)	(363,443)	(392,524)	(126,060)
Exploration and evaluation costs	(782,506)	(518,136)	(377,690)	(385,112)
Freight expenses	(9,003)	-	-	-
Interest paid	-	(57,015)	(1,065)	(2,840)
Bad debts expense	-	(1,320,698)	-	-
Business development costs	-	-	-	(185,976)
Impairment expense	-	(100,000)	(120,533)	-
Settlement costs	-	(400,000)	-	-
Plant and equipment adjustment	270,533	-	-	-
Loss before income tax	(1,327,940)	(3,323,162)	(1,804,218)	(832,068)
Income tax benefit	497,410	1,478,287	-	-
Income tax expense relating to the ordinary activities	-	-	-	-
Net loss for the year	(830,530)	(1,844,875)	(1,804,218)	(832,068)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss	(830,530)	(1,844,875)	(1,804,218)	(832,068)

04. Financial information

CSB ENGAGE	FY2014 SGD	FY2014 AUD*	FY2015 SGD	FY2015 AUD*	FY2016 SGD	FY2016 AUD*	HY2017 SGD	HY2017 AUD*
Gross Revenue	2,064,360	1,783,607	2,233,716	2,038,713	2,367,018	2,338,614	1,466,209	1,407,707
Cost of sales	(630,861)	(545,064)	(384,567)	(350,994)	(264,074)	(260,905)	(197,230)	(189,361)
Gross profit	1,433,499	1,238,543	1,849,149	1,687,718	2,102,944	2,077,709	1,268,979	1,218,347
Other income								
Selling and distribution expenses	(151,289)	(130,714)	(200,336)	(182,847)	(111,174)	(109,840)	(109,137)	(104,782)
Administrative expenses	(3,172,868)	(2,741,358)	(2,803,810)	(2,559,037)	(3,602,176)	(3,558,950)	(2,406,016)	(2,310,016)
Finance costs	(47,850)	(41,342)	(150,486)	(137,349)	(218,336)	(215,716)	(168,074)	(161,368)
Operating loss before tax	(1,938,508)	(1,674,871)	(1,305,483)	(1,191,514)	(1,828,742)	(1,806,797)	(1,414,248)	(1,357,820)
Income tax benefit	107,425	92,815	141,139	128,818	(5,507)	(5,441)	(25)	(24)
Profit/(loss) for the year	(1,831,083)	(1,582,056)	(1,164,344)	(1,062,697)	(1,834,249)	(1,812,238)	(1,414,273)	(1,357,844)
Foreign currency translation differences	133,462	115,311	16,787	15,321	10,664	10,536	8,241	7,912
Total comprehensive income/(loss)	(1,697,621)	(1,466,745)	(1,147,557)	(1,047,375)	(1,823,585)	(1,801,702)	(1,406,032)	(1,349,931)
Profit/(loss) of non-controlling interest	-	-	-	-	(3,929)	(3,882)	(242,903)	(233,211)
Earnings attributable to parent entity shareholders	(1,831,083)	(1,582,056)	(1,164,344)	(1,062,697)	(1,830,320)	(1,808,356)	(1,171,370)	(1,124,632)

* Conversion rates used to convert Singapore dollars (SG\$) to Australian dollars (AU\$) for the purposes of this table are the average exchange rates for the relevant period as published by the Reserve Bank of Australia. The relevant average rates are as follows: HY2017: SG\$1 = AU\$0.9601, 2016: SG\$1 = AU\$0.9880, 2015: SG\$1 = AU\$0.9127 and 2014: SG\$1 = AU\$0.8640.

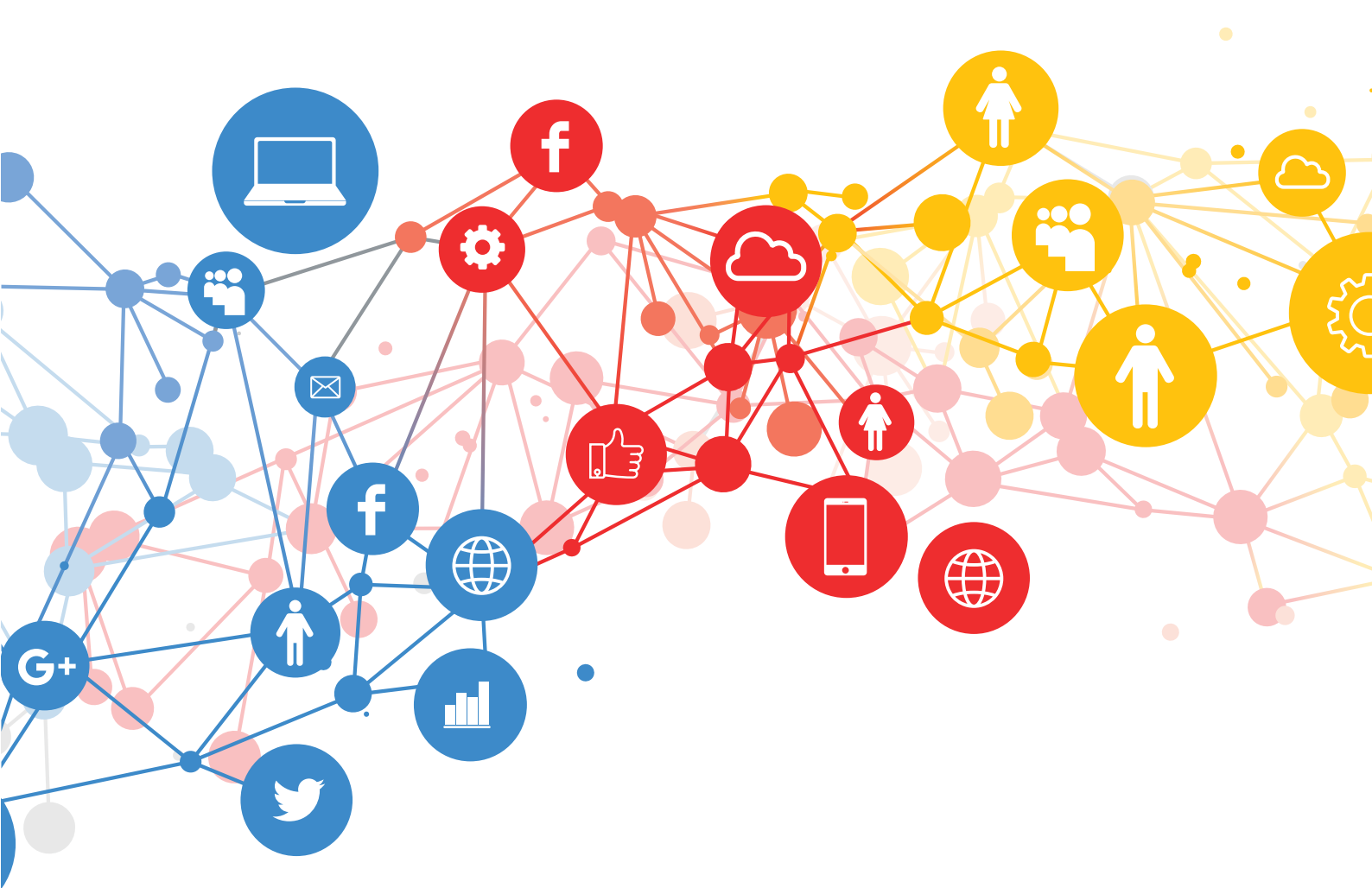
04. Financial information

TABLE 3: HISTORICAL CASH FLOWS

	FY2014 AUD	FY2015 AUD	FY2016 AUD	HY2017 AUD
CASH FLOW FROM OPERATING ACTIVITIES				
Cash receipts in the course of operations	-	389,865	-	-
Cost of sales	-	(325,112)	-	-
Cash payments to suppliers	(805,579)	(710,708)	(1,329,562)	(462,017)
Payments for exploration and evaluation expenditure	(821,503)	(431,269)	(262,232)	(8,808)
Proceeds from Research and Development claim	497,410	491,920	986,367	-
Interest received	18,519	4,275	1,157	127
Interest paid	-	-	-	(2,840)
Other income	13,958	1,791	-	-
Net cash used in operating activities	(1,097,195)	(579,238)	(604,270)	(473,538)
CASH FLOW FROM INVESTING ACTIVITIES				
Security bonds	20,000	10,000	(5,445)	220
Proceeds from sale of equipment	-	30,000	-	50,000
Application fees for exploration licenses	-	(17,170)	-	-
Payments from property, plant and equipment	-	-	(2,384)	-
Net cash used in investing activities	20,000	22,830	(7,829)	50,220
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of shares and capital raising	1,510,667	570,000	796,600	590,000
Payments for shares offer costs	(90,883)	-	-	(16,400)
Proceeds from borrowings	-	332,000	(223,070)	-
Repayment of borrowings	-	(165,000)	-	-
Performance Bond	(70,000)	-	-	-
Advances to business partners	(393,419)	(857,280)	-	-
Net cash from investing activities	956,365	(120,280)	573,530	573,600
Net decrease in cash and cash equivalents	(120,830)	(676,688)	(38,569)	150,282
Cash and cash equivalents at beginning of the period	981,467	860,637	183,949	145,380
Cash and cash equivalents at end of the period	860,637	183,949	145,380	295,662

04. Financial information

CSB ENGAGE	FY2014 SGD	FY2014 AUD*	FY2015 SGD	FY2015 AUD*	FY2016 SGD	FY2016 AUD*	HY2017 SGD	HY2017 AUD*
Cash flows from operating activities								
Loss before tax	(1,938,508)	(1,674,871)	(1,164,344)	(1,062,697)	(1,834,249)	(1,812,238)	(1,414,273)	(1,357,844)
Adjustments for:								
Provision for Doubtful Debt	-	-	-	-	110,678	109,350	701	673
Provision for annual leave	-	-	-	-	54,222	53,571	-	0
Amortisation of intangible assets	-	-	201,269	183,698	201,269	198,854	153,143	147,033
Bad debt written off	24,674	21,318	16,817	15,349	130,403	128,838	-	-
Depreciation of plant and equipment	47,933	41,414	36,632	33,434	27,349	27,021	7,500	7,201
Interest expenses	47,850	41,342	150,486	137,349	206,250	203,775	137,306	131,827
Interest income	(214,631)	(185,441)	(2,753)	(2,513)	(5,469)	(5,403)	(2,217)	(2,129)
Loss on disposal of plant and equipment	-	-	1,974	1,802	-	-	-	-
Translation Reserve	134,435	116,152	-	-	-	-	-	-
	(1,898,247)	(1,640,085)	(759,919)	(693,578)	(1,109,547)	(1,096,232)	(1,117,840)	(1,073,238)
Changes in working capital								
Trade receivables and deposits	(406,803)	(351,478)	75,075	68,521	(172,613)	(170,542)	(41,357)	(39,707)
Trade payables	204,072	176,318	(12,337)	(11,260)	21,461	21,203	234,603	225,242
Amount due from related parties	(10,830)	(9,357)	10,830	9,885	136,930	135,287	3,849	3,695
Other receivables/deposits/prepayment	(173,326)	(149,754)	(10,824)	(9,879)	(179,479)	(177,325)	(226,662)	(217,618)
Other payables	(354,211)	(306,038)	1,083,545	988,952	(500,517)	(494,511)	734,093	704,803
Cash generated from/(used in) operations	(2,639,345)	(2,280,394)	386,370	352,640	(1,803,765)	(1,782,120)	(413,314)	(396,823)
Interest paid	(47,850)	(41,342)	(150,486)	(137,349)	(260,250)	(257,127)	(137,306)	(131,827)
Tax refund	107,425	92,815	-	-	-	-	-	-
Net cash generated from/(used in) operating activities	(2,579,770)	(2,228,921)	235,884	215,291	(2,064,015)	(2,039,247)	(550,620)	(528,650)
Cash flows from investing activities								
Interest received	214,631	185,441	2,753	2,513	5,469	5,403	2,217	2,129
Proceeds from issuance of shares	-	-	1,698,642	1,550,351	1,133,958	1,120,351	135,014	129,627
Purchase of intangible assets	-	-	(753,760)	(687,957)	-	-	(316,170)	(303,555)
Purchase of plant and equipment	(28,168)	(24,337)	(16,022)	(14,623)	(8,951)	(8,844)	(25,020)	(24,022)
Purchase of financial assets	(21,118)	(18,246)	-	-	-	-	-	-
Effect of acquisition of subsidiary	(826,683)	(714,254)	-	-	-	-	-	-
Net cash generated from/(used in) investing activities	(661,338)	(571,396)	931,613	850,283	1,130,476	1,116,910	(203,959)	(195,821)
Cash flows from financing activities								
Changes in amount due from/(to) related parties	918,814	793,855	(186,984)	(170,660)	490,478	484,592	(383,220)	(367,930)
Changes in amount due from/(to) shareholders	1,851,505	1,599,700	(950,405)	(867,435)	-	-	-	-
Proceed from loans	419,253	362,235	47,357	43,223	662,503	654,553	1,212,427	1,164,051
Changes in financial assets	-	-	21,118	19,274	-	-	-	-
Net cash (used in)/generated from financing activities	3,189,572	2,755,790	(1,068,914)	(975,598)	1,152,981	1,139,145	829,207	796,122
Net increase/(decrease) in cash and cash equivalents	(51,536)	(44,527)	98,583	89,977	219,442	216,809	74,628	71,650
Cash and cash equivalents at the beginning of the reporting period	34,031	29,403	(16,975)	(15,493)	81,608	80,629	301,050	289,038
Translation Reserve								
Cash and cash equivalents at the end of the reporting period	(17,505)	(15,124)	81,608	74,484	301,050	297,437	375,678	360,688



05.

Risk factors

5.1 Introduction

Assuming Completion occurs, this Section describes some of the potential material risks associated with the Company's business and the industry in which it will operate and risks associated with an investment in Shares. Following Completion, the Company will be subject to a number of risks both specific to its business activities and of a general nature, which may either individually or in combination materially adversely impact the future operating and financial performance of the Company, the investment returns and the value of Shares.

The occurrence or consequences of some of the risks described here are partially or completely outside of the control of the Company, its directors and management team. Investors should note that this Section 5 does not purport to list every risk that may be associated with the Company's business following Completion, or the industry in which it operates, or an investment in Shares, now or in the future. The selection of risks has been based on the Company's assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of the Directors as at the Prospectus Date, but there is no guarantee or assurance that the risks will not change or that other risks will not emerge. There can be no guarantee that the Company will achieve its stated objectives, or that any forward looking statement contained in this Prospectus will be achieved or realised.

Investors should note that past performance may not be a reliable indicator of future performance.

Before applying for Shares, investors should satisfy themselves that they have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment for them, having regard to their investment objectives, financial circumstances and taxation position. Investors should seek advice from their stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the Company.

5.2 Risks specific to an investment in the Company

(a) Crowded space

Following Completion of the Proposed Transaction, the Company (through the CSB Engage Group) will compete with other companies in a mature market place. Some of these companies have greater financial and human resource capability than the Company, and as a result may be in a better position to compete and provide services. Although CSB Engage has developed a comprehensive and proprietary technology portfolio, which the Directors feel will position CSB Engage with a unique and compelling value proposition following Completion, there is no guarantee that this value proposition will provide the Company with a competitive advantage over its competitors.

Further, although D2C business models are proving to be very successful at a global scale across many industries, CSB Engage has only recently (in the last two years) entered into the D2C market. CSB Engage has demonstrated the potential of its proposed new business models and strategic partnerships through the deployment and success of the FiiTR mobile application, however, CSB Engage's limited relevant operating history in the D2C market makes evaluation of the proposed D2C business models following Completion difficult. There is no assurance that the activities of existing competitors or the entrance of new competitors will not adversely affect CSB Engage's operating results and financial performance, or that CSB Engage will be able to keep up with technological developments or fluctuating market conditions as effectively as its competitors. Any adverse impact to the CSB Engage Group's operating results and financial performance is likely to have a similarly adverse effect to the financial performance and operating results of the Company.

(b) New entrants and existing competitors replicate the CSB Engage platform

The CSB Engage Group's SaaS business model requires extensive merchant networks and consumer adoption to be successful. CSB Engage aims to be the dominant supplier of consumer engagement technologies in the three regions in which it presently operates and where there is little direct SaaS product competition.

05. Risk factors

Whilst effective utilisation of strategic partners and integrations at point of sale will facilitate broader distribution and speed to market opportunities, there is no assurance that a competitor with significant financial resources cannot copy what the CSB Engage Group has done or bring an alternative product to the market. If new entrants or existing competitors replicate the CSB Engage platform, CSB Engage Group's financial performance, and the financial performance of the Company, is likely to be adversely affected.

(c) Privacy regulations

The Board understands that CSB Engage takes consumer privacy very seriously and has strategies and protections in place to minimise security breaches and to protect data. However, there is no guarantee that these security measures could be not breached. If consumer privacy is breached, the CSB Engage Group may suffer reputational damage or be subject to an action from consumers or regulatory authorities, which is likely to impact the Company's financial results.

(d) Data security

CSB Engage has strategies and protections in place to minimise security breaches and to protect data. However, there is no guarantee that these security measures could not be breached. If the CSB Engage Group's security measures are breached or the programs are subject to any form of cyber-attacks, then consumers may stop using the products, and the CSB Engage products may suffer significant reputational damage.

The CSB Engage Group utilises third party cloud computing service providers including Amazon Web Services and Ultrastore as its data hosting centres. As CSB Engage's service providers use SSL certificates and data hacking firewalls, the Board understands that CSB Engage is confident that it has acted in accordance with market place best-practice and that its data is well protected.

(e) Management and staff

The CSB Engage Group's operational success depends on the continuing efforts and retention of its management team and staff. The raising of funds under the Offer will provide resources to employ additional highly skilled first and second tier staff to support the planned growth of the business conducted by CSB Engage. If the CSB Engage Group is not able to attract and retain new team members, the business may be adversely affected.

(f) Intellectual Property

CSB Engage has developed and owns all of its products and software. CSB Engage has copyright protection over its products and software, but none of these are patentable. These products are complex and work across a number of internet, smart phone platforms and software operating systems and so are difficult to recreate; but this will not prevent others from copying the CSB Engage solutions. If CSB Engage's intellectual property rights cannot be protected, have not been protected adequately or are not protected, competitors may utilise CSB Engage's intellectual property, which may adversely affect the CSB Engage Group's ability to compete effectively in the market and the Company's financial performance.

While CSB Engage has not, to the best of its knowledge, infringed any third parties' intellectual property rights, CSB Engage may, in the future, face intellectual property infringement claims or litigation. If third parties claim involvement in developing the technology used in CSB Engage's products, or if CSB Engage infringes third party intellectual property, CSB Engage and the Company's operations and financial performance may be adversely affected.

(g) Third party platforms

CSB Engage is reliant on stable internet and 3G and 4G mobile services.

CSB Engage is dependent on the ability of its staff and products to continue to develop and operate on these platforms. Any changes in these platforms and operating systems may adversely affect the CSB Engage Group's ability to deliver services.

05. Risk factors

(h) Dependence on the internet

The successful continuation of the CSB Engage Group's various product offerings will depend to an extent on the continued use of the internet as a communications and commerce platform. A delay in the development or adoption of new standards and protocols may cause the internet to become a less viable business tool due to its failure to meet activity, security, reliability, ease of access, cost and quality of service requirements of consumers.

Viruses and similar programs may harm the performance and acceptability of the internet as a business tool. If the internet does not remain a widespread communications medium regularly used for business and commerce, the demand for the CSB Engage Group's products and services would be significantly reduced, impacting the Company's financial performance.

(i) Retention of customers

As well as attracting new customers, the CSB Engage Group must also retain existing customers to maintain its current cash flows and operations. As with any business, the CSB Engage Group faces the risk of losing customers to competitors.

(j) Sovereign risk

CSB Engage's proposed activities are subject to certain risks associated in operating in foreign countries, including South Africa and Singapore. CSB Engage is also proposing to expand into United States, the United Kingdom and South Korea. These risks may include economic, social or political instability or change, hyperinflation or instability and changes of law affecting foreign ownership, taxation, working conditions, repatriation of income or return of capital and labour relations as well as government regulations that may require the employment of local staff or contractors or require other benefits to be provided to local residents.

The risk of terrorism activities is a real risk in most jurisdictions in the world, and may affect the international operations of the Company (through the CSB Engage Group).

(k) Foreign exchange risk

As a globally focused company, the Company (through CSB Engage's business activities) will be exposed to currency price fluctuations between Australia and Singapore, Australia and South Africa (and/or Australia and any other jurisdiction in which CSB Engage operates its business going forward, including United States, the United Kingdom and South Korea).

The Company's potential exposure relates to foreign exchange rate fluctuations and foreign exchange charges which may result in the price of the Company's securities to fluctuate for reasons unrelated to the Company's financial condition or performance.

(l) Material agreement risk

The success of CSB Engage's proposed future strategy is reliant on counterparty performance under the material contracts to which CSB Engage is a party. CSB Engage (and therefore the Company) is substantially dependent on these counterparties continuing to perform and fulfil their obligations under their relevant arrangements with CSB Engage or members of the CSB Engage Group.

Further, due to the nature of existing contracts, some contracts are terminable at short notice. This means there is a possibility that existing contracts, and therefore existing revenue streams may disappear from the CSB Engage business at short notice.

(m) D2C Strategy

Under the D2C strategy, the Company will bear the cost of the marketing and related operational costs. Further, the Company is required to develop the customer database through direct marketing to consumers. Marketing costs and database development costs can be capital intensive which may affect the viability of the D2C strategy or the success of the Company and the CSB Engage Group going forward.

05. Risk factors

(n) Risk of Software Errors

If CSB Engage fails to identify bugs, operating errors or other defects in the Existing Products and / or Developing Products, these products may not perform properly, causing reputational damage to the CSB Engage Business. If CSB Engage identifies errors in the Developing Products, this may delay the launch of the Developing Products. Likewise, if CSB Engage identifies errors in the Existing Products, CSB Engage may need to provide updates or software patches to correct these errors, which may be costly and time consuming.

(o) Ongoing product development, operation, maintenance and support

CSB Engage may need to invest in continued product development and innovation to retain its current user base and engage new users. Regulatory changes, technological advances and competitor activity may also require CSB Engage to develop new products or update existing products. Any increase in operating costs, maintenance costs or support costs may diminish revenues or may lead to delays in introducing new products to the market, which may adversely affect CSB Engage (and therefore the Company's) financial and business performance.

5.3 General risks of an investment in the Company

(a) Price of Shares

The Company is also subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in the Share price that are not explained by the Company's fundamental operations and activities.

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following the quotation on the ASX, even if the Company's earnings increase.

Some of the factors which may adversely impact the price of the Shares include:

- (i) fluctuations in the domestic and international market for listed securities;
- (ii) general economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies and settings;
- (iii) changes in legislation or regulation;
- (iv) inclusion in or removal from market indices;
- (v) the nature of the markets in which the Company operates; and
- (vi) general operational and business risks.

(b) Trading and liquidity in Shares

The Company was originally officially listed on 17 July 2008. On the assumption that the Company is reinstated to trading on the ASX, there can be no guarantee that an active trading market for its shares will develop or that the price of the Shares will increase. There may be relatively few potential buyers or sellers of the Shares on the ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Shareholders paid for their Shares under the relevant Offer.

(c) Shareholder dilution

In the future, the Company may elect to issue further shares or engage in capital raisings to facilitate employee share plans, fund acquisitions, or undertake other strategic initiatives. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholders at the time may be diluted as a result of such issues of Shares and capital raisings.

05. Risk factors

(d) Inability to pay dividends or make other distributions

There is no guarantee that dividends will be paid on Shares in the future, as this is a matter to be determined by the Board in its discretion and the Board's decision will have regard to, amongst other things, the financial performance and position of the Company, relative to its capital expenditure and other liabilities.

Moreover, to the extent that the Company pays any dividends, its ability to offer fully franked dividends is contingent on making taxable profits. The Company's taxable profits may be volatile, making the payment of dividends unpredictable. The value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances.

Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on the individual tax position of each Shareholder.

(e) The Company may be subject to changes in tax law

Changes in tax law (including goods and services taxes and stamp duties), or changes in the way taxation laws are interpreted may impact the Company's tax liabilities or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in the Company.

(f) Possible changes in Australian Accounting Standards

Australian Accounting Standards are set by the AASB and are outside the control of the Company and its Directors. The AASB is due to introduce new or refined Australian Accounting Standards during the period from 2016 to 2018, which may affect future measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables. There is also a risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in the consolidated financial statements of the Company.

(g) Possibility of force majeure events

Events may occur within or outside Australia that could impact upon the Australian economy or the economy of each territory in which CSB Engage currently operates or intends to operate in, the Company's operations and the price of the Shares. These events include but are not limited to acts 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 products and its ability to conduct business. While the Company seeks to maintain insurance in accordance with industry practice to insure against the risks it considers appropriate after consideration of the Company's needs and circumstances, no assurance can be given as to the Company's ability to obtain such insurance coverage in the future at reasonable rates or that any coverage arranged will be adequate and available to cover any and all potential claims. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

05. Risk factors

5.4 Risks associated with CSB Engage Business and the Proposed Acquisition

(a) Acquisition Conditional

As part of the Company's change in nature and scale of activities, ASX will require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules. This Prospectus has been issued to assist the Company to re-comply with these requirements.

The Shares have been suspended from trading on ASX since 11 May 2016 and it is anticipated that the Shares will remain suspended until completion of the Proposed Acquisition, the Investor Offer, re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and compliance with any further conditions ASX imposes on such reinstatement.

There is a risk that the Company will not be able to satisfy one or more of those requirements and that its Shares will consequently remain suspended from quotation.



06.

Key people, interests and benefits

Key people, interests and benefits

06.

6.1 Board of Directors

The proposed Directors of the Company bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience. Following Completion, the Directors of the Company will be as follows:

NEW DIRECTORS EXPERIENCE AND BACKGROUND



Neil Joseph
*Executive Director
and Chief Executive
Officer*

Neil Joseph (Bachelor of Commerce, Chartered Management Accountant) is the founder of CSB Engage and drives the overall business development strategy, together with new product and technology development. He has extensive management, executive, financial and administrative experience spanning a wide range of industries including financial services, manufacturing, mail order, retail and loyalty. Neil completed a Bachelor of Commerce degree and is a qualified Cost and Management Accountant. Neil is highly respected in the industry and has published a number of articles on loyalty marketing, as well as collaborated on White Papers with the Association for Data-driven Marketing and Advertising.



Todd Ruppert
*Non-executive
Director*

Todd Ruppert is founder and Chief Executive Officer of Ruppert International, Inc. a firm with diversified interests globally in disruptive technologies, financial services, education, publishing, arts and entertainment, and youth development. In 2012 he retired from T. Rowe Price, the global asset management firm with over \$850 billion under management, where he established the firm's intermediary business, led the United States institutional business and led the firm's international business. He was board member, Chief Executive Officer and president of T. Rowe Price Global Investment Services, board member and co-president, T. Rowe Price International, and a member of the operating steering committee of the T. Rowe Price Group.

Todd is currently a venture partner with Greenspring Associates, a United States based venture capital firm with over \$5 billion under management, and has previously held board and advisory roles with a wide variety of financial services companies, including Athena Capital, nstream Solutions and SPQ Asia Opportunities, technology companies including Symbiont.io, Airex Market and Trov and publishing companies such as Investments & Pensions Europe, Funds Europe, Funds Global and Top 1000 Funds. Todd also serves on the board of directors of INSEAD business school.

He is the board president of London's Royal Parks Foundation (USA) & board member of the Rock & Roll Hall of Fame. He was a founding board member of the Duke of Edinburgh's Award in the United States and a global ambassador of the International Award. Todd will bring significant international capability and reach to the group.

06. Key people, interests and benefits

NEW DIRECTORS EXPERIENCE AND BACKGROUND



Rod Walker
*Chairman and
Non-executive
Director*

Rod Walker is an experienced Chief Executive Officer, Director and Chairman of proven capability, having led several companies through initial public offerings, major acquisitions, mergers and to record results, whilst also working with the Chief Executive Officers on their personal development. He currently serves on the board as Chairman of Godfreys Group Limited, The PAS Group Limited, Carpet Court Australia, and Angus Knight Pty Ltd.

Former board appointments include Chairman and non-executive director roles on the boards of Bras N Things, Rebel Sport, Witchery Fashions, Steinhoff International Holdings Limited and the Amber Group. His last fulltime Executive role was as Managing Director of the Freedom Group. At that time, the Group had over 240 stores with six brands in three countries. Mr Walker led the Group as a public company and subsequently privatized it.



David Fisher
*Non-executive
Director*

David Fisher (Fellow Chartered Accountants) is an experienced qualified Chartered Accountant with over 35 years business experience. David has been in public practice since 1983, and his experience includes advising on all aspects of business to small and medium enterprises as well as providing secretarial and other regulatory advisory services to public, private and other corporate entities.

David was Corporate Secretary of the Austcorp International Limited group of companies as well as that of Austcorp Funds Management Limited which acted as trustee of the Austcorp Towers Trust an entity listed on the Australian Stock Exchange in 2005 (and delisted in 2009). David is also a registered auditor and has acted as an advisor to audit and risk committees during his tenure in public practice. David is a member of the Institute of Chartered Accountants – Australia and New Zealand.

6.2 Director disclosures

Each new Director has confirmed to the Company that he anticipates being available to perform his duties as a Director without constraint from other commitments.




No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares.

No Director has been an Officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an Officer or within a 12 month period after they ceased to be an Officer.




06. Key people, interests and benefits

6.3 Senior management

The senior managers of the business bring appropriate, relevant expertise and skills to the Company including industry and business knowledge, financial management and corporate governance experience. Following Completion, the senior management of the Company will be as follows:

SENIOR MANAGERS	EXPERIENCE AND BACKGROUND
 <p>Anne Adaley <i>Company Secretary and Finance</i></p>	<p>Anne Adaley is a qualified accountant and has had more than a decade of experience as Company Secretary for several listed public companies. Anne is principal of Australian Mining Corporate and Administrative Services Pty Ltd (AMCAS) which provides Chief Financial Officer and Company Secretarial functions and support including accounting, financial management and administrative services on a consulting basis to public listed and private companies as well as unlisted and pre-IPO companies.</p> <p>Anne Adaley has extensive experience in the resources sector, having held senior management roles with a number of listed public Australian exploration and mining companies over the last 25 years.</p>
 <p>Chris Joseph <i>Director of Africa division</i></p>	<p>Chris Joseph (Bachelor of Commerce) is the leader of CSB Engage's business operations in the Africa Region. Chris was initially responsible for setting up operations in the Asia region and has recently relocated to South Africa. Chris has more than 20 years' experience in senior management across the banking, financial services, food & beverage industries, customer relationship management and loyalty industries. His key strengths lie in customer relationships, leading, motivating and delivering solutions that deliver to clients defined objectives. The experience he brings from years in the corporate environment is enhanced by a keen entrepreneurial spirit. Chris has played an instrumental role in developing the customer relationship management business in Asia and South Africa and a key focus is to actively seek out new opportunities within these markets.</p>
 <p>Sean Smith <i>Director Mobile division</i></p>	<p>Sean Smith (Hons. Bachelor of Commerce (MA), Certified Practising Accountant, Associated Chartered Management Accountant, Chartered Global Management Accountant and Chief Executive Officer of airBux. Sean is responsible for both Mobecom's mobile customer engagement product and execution strategy and is also co-founder and Chief Executive Officer of airBux, the CSB Engage Group's direct-to-consumer mobile rewards engagement offering.</p> <p>Sean is a serial mobile software and internet entrepreneur with over 20 years' experience in disruptive software-as-a-service and value added services development and provisioning. He has won and serviced a number of prominent global blue-chip industry leading clients including News Corp, Vodafone, Nokia and Cable & Wireless. Sean is an Associate of the Chartered Institute of Management Accountants (ACMA) with an Honours Degree in Accountancy (cum laude) from the University of Stellenbosch, South Africa. Sean founded Onit Media Pty Ltd (now wholly owned by Mobecom) in February 2011.</p>

06. Key people, interests and benefits

SENIOR MANAGERS	EXPERIENCE AND BACKGROUND
 <p>Aubrey Sonnenberg <i>Director of LifeIQ division</i></p>	<p>Aubrey Sonnenberg (Bachelor of Commerce) is in the CSB Engage senior leadership team. Aubrey founded LifeIQ in 2012 and is responsible for the overall business strategy and development of the group's behavioural health division including the insurance, employer, healthcare and direct-to-consumer segments.</p> <p>Aubrey was a founder of a joint venture with Ernst & Young in South Africa that was acquired in 1996 by AON, a global leader in health risk, insurance, employee benefits. He was also the founder and CEO of Healthlogix Australia in 2003, an innovator in digital and online content management and engagement to leading insurers, health providers and employers across three continents.</p> <p>The SeventeenHundred business division was acquired by LifeIQ Pty Ltd in 2016 to fast-track the employer segment in Oceania, Asia and Africa. Clients include Qantas, Virgin, Google and several high profile employers across diverse sectors.</p>
 <p>Patrick Pitcher <i>Director of Asia division</i></p>	<p>Patrick Pitcher invested in and joined CSB Engage in December 2011. Patrick was previously a Worldwide Board Director of Saatchi & Saatchi, and CEO Asia Pacific & Africa. Patrick was at Saatchi & Saatchi for a total of 21 years. Patrick was also a director of the Singapore Tourism Board from 2007 to 2011, and is currently Chairman of MitonOptimal Asia Pacific, and a board director of Mount Faber Leisure group (one of the Sentosa Development Corporation companies). Patrick has a strong track record of turning around companies and delivering above market profit margins. Patrick is responsible for the Asia region.</p>
 <p>Georgina Halabi <i>Commercial Asia</i></p>	<p>Georgina Halabi (Bachelor of Communications and French) returned recently to work at CSB Engage. Based in Singapore, Georgina brings a valuable mix of channel marketing experience and disciplines, having worked in both business development and client services roles across Asia and UK.</p> <p>Georgina has experience in digital, social media, mobile and customer relationship management. For the last 6 years, Georgina has focused her energies on the Mobile Marketing Technology space spearheading sales and operational initiatives for Riverview Mobility Solutions and Archer Mobile.</p>

06. Key people, interests and benefits

SENIOR MANAGERS

EXPERIENCE AND BACKGROUND



Leanne Oosthuizen
Business Development

Leanne Oosthuizen is an experienced marketing, client services and business development manager having gained experience in many industries including Safety and Environment (Sturrock & Robson), in customer relationship management and marketing with through-the-line advertising agency, Stratitude, in South Africa. Leanne gained significant experience across marketing and CRM for the RCI group focusing on tourism and hospitality. Leanne joined CSB Engage in April 2017 and will add significant support capability in the South African division.



Jennifer Robinson
Group Marketing

Jenny Robinson (Bachelor of Business, Bachelor of Science (Honours), Marketing) was previously responsible for the project management of new implementations globally, including operationalising the development teams around these implementations. Jenny will be responsible for Group Marketing from July 2017. Jenny has gained extensive product and marketing management experience with companies such as Bristol Myers Squibb, Protea Pharmaceutical, Greenfield Property Services and Hunt Leuchars and Hepburn. She has worked in the corporate world and as a successful entrepreneur running her own marketing, advertising and promotional goods companies.




Alvin Tolentino
Head of Technology

Alvin Tolentino (Diploma Software). Alvin leads the LifeIQ IT development team and is in the product development and senior leadership team of LifeIQ.

Alvin is a strong leader of people and a dynamic technology developer specialising in start-ups and technology scaling. Alvin joined CSB Engage, having held the position of Manager Technology at Intesective managing developers across two countries and managing large scale projects. Previous to that, Alvin gained experience at Code Geeks, Flight Leads and Focused IT where he held the positions of Senior Network Engineer and Senior Project Manager.

06. Key people, interests and benefits

SENIOR MANAGERS	EXPERIENCE AND BACKGROUND
 <p>Dr Roy Sugarman <i>Head of User Experience</i></p>	<p>Dr Roy Sugarman (Doctor of Philosophy Neuropsychology, Bachelor of Arts, Bachelor of Arts (Honours), Master of Clinical Psychology) is in the product development, sales and senior leadership team of LifeIQ. Roy is a Clinical Neuropsychologist and Clinical Psychologist and a Senior Conjoint Lecturer in Psychiatry, Medical School UNSW. His Neuroscience of Engagement model is behind the LifeIQ and SeventeenHundred platforms. He is responsible for the overall engagement strategy and action content of our platforms.</p> <p>Roy is the Director of Applied Neuroscience for the EXOS performance innovation team in Arizona USA, and in this capacity, he has served as a mindset coach with the USA National Men's Soccer Team, and various Olympic, National, College and club level athletes.</p> <p>His consultancies include Mind Experts International USA, FC11 Australia, GoGo Sport at University of San Francisco, Mazlo USA and SensoLabs USA.</p> <p>His innovations have found their way into multiple international and local corporates such as Sheraton Health, Google, Intel, State Street and others.</p> <p>He is the author of two acclaimed books, "Saving your life one day at a time" and "Client-Centered Training" (3rd edition)" as well as journal articles in the evolution of the brain and cross-cultural neuropsychology.</p>

6.4 Interests and benefits

This Section sets out the nature and extent of the interests and fees of certain persons involved in the Offers. Other than as set out below or elsewhere in this Prospectus, no:

- (a) Director or proposed Director of the Company;
 - (b) person named in this Prospectus and who has performed 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,
- holds, at the Prospectus Date, or has held in the two years before the Prospectus Date, an interest in:
- (d) the promotion of the Company;
 - (e) property acquired or proposed to be acquired by the Company in connection with its promotion, or in connection with the Offers; or
 - (f) the Offers,

and no amount (whether in cash, shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the promotion of the Company or the Offers or to any Director or proposed Director to induce them to become, or qualify as, a Director.

06. Key people, interests and benefits

6.5 Directors' interests and remuneration

(a) Executive Director

Neil Joseph has entered into an Executive Employment Agreement with the Company, dated 14 June 2017. Key terms of Neil Joseph's employment agreement are as follows:

- following and subject to Completion, Neil Joseph shall be appointed as the Executive Director and Chief Executive Officer of the Company;
- Neil Joseph shall be restrained for a period of 6 months after cessation or termination of employment; and
- the term of the agreement shall be 5 years.

The following summarises Neil's remuneration:

Director	Remuneration ¹	Shares	Options	Short Term Cash Incentive
Neil Joseph	\$300,000	Nil	1,695,000	\$141,750

1. Remuneration excludes superannuation, which shall be payable at 9.5%.

The options to be issued to Neil Joseph will be subject to the terms of the Company's Incentive Option Plan (terms of which is set out in section 6.10) and certain specific performance criteria which must be satisfied as at specific dates (further detail with respect to which is set out in section 7.4).

(b) Non-executive Director remuneration

Director	Remuneration ¹	Shares	Options	Short Term Bonus
Rod Walker	\$100,000	1,000,000 ²	Nil	Nil
Todd Ruppert	\$60,000	Nil	Nil	Nil
David Fisher	\$60,000	Nil	Nil	Nil

1. Remuneration includes superannuation (where it is payable).

2. To be issued to Rod Walker as part of the Vendor Offer, please see Section 10.3(a)(ii).

Each of the non-executive Directors has entered into appointment letters with the Company confirming the terms of their appointment, their roles and responsibilities, and the Company's expectations of them as Directors.

The Board of Directors decide the total amount paid to each Director as remuneration for their services as a Director to the Company. However, under the ASX Listing Rules, the total amount paid to all non-executive Directors for their services must not exceed in aggregate in any financial year the amount fixed by the Company at a general meeting. This amount has been fixed at \$400,000 per annum and any change to the aggregate sum will need to be approved in a general meeting.

Annual Directors' fees currently agreed to be paid by the Company are \$100,000 to the Chairman, and \$60,000 to each non-executive Director (other than Todd Ruppert), plus superannuation at 9.5% of those fees where superannuation is required to be paid under the laws of Australia. The annual Directors' fees currently agreed to be paid by the Company to Todd Ruppert are \$65,700. These fees are inclusive of fees in respect of service on the various Committees. In addition, the new Board has agreed that for the time being, no additional remuneration will be paid to a person undertaking the role of the Chair of the Audit and Risk Management Committee, the Chair of the Audit and Risk Management Committee and/or the Chair of the Remuneration Committee. The Directors' fees do not include a commission on, or a percentage of, profits or income.

06. Key people, interests and benefits

(c) Todd Ruppert's additional interest

It is intended that CSB Engage will pursue the proposed international expansion of the airBux technology where Todd Ruppert will have the responsibility to supervise the marketing and sale of the airBux technology by each airBux SPV.

While the terms of Todd Ruppert's engagement are not yet finalised, it is anticipated that Mr Ruppert's remuneration will include being issued equity in each airBux SPV, such equity expected to not exceed 20% of the relevant airBux SPV's share capital. The granting of any such interest will be subject to any shareholder approvals or other regulatory requirements.

6.6 Deeds of access, insurance and indemnity

The Company has entered a deed of indemnity, insurance and access with each Director that confirms the Director's right of access to Board papers (for a period of seven years after the Director ceases to hold office, which can be extended where certain proceedings or investigations commence during that period) and requires the Company to indemnify the Director, on a full indemnity basis and to the full extent permitted by law, against all losses or liabilities (including all reasonable legal costs) insured by the Director as an Officer of the Company or of a related body corporate.

Under the deeds of indemnity, insurance and access, the Company must maintain a Directors and Officers liability insurance policy insuring each Director and Officer against liability as a Director and Officer of the Company and its related bodies corporate until seven years after each Director or Officer ceases to hold office with the Company or a related body corporate (or the date any relevant proceedings commenced during the seven year period have been finally resolved).

6.7 Directors' shareholdings

The Directors are not required by the Constitution to hold any Shares. On Completion, the Directors will hold the certain Shares either personally, or through entities associated with the Director (excluding any Shares applied for under the Investor Offer).

The Directors are entitled to apply for Shares under the Investor Offer. The Directors' holdings immediately prior to Completion, and that are expected to be acquired in the Offers and held on Completion are outlined below:

(a) Shareholdings of current Directors prior to Completion:

Director	Shareholding (prior to completion of the Offers)
Sir Warwick Andrew	1,323,747
Neil Herbert	336,735
Mandeep Bhandari	84,821

Shares to be issued to current Directors as part of the Staff Offer:

Director	Staff offer shares*
Sir Warwick Andrew	283,795
Neil Herbert	793,585
Mandeep Bhandari	248,230

*Please refer to Section 7.6 for further information relating to the above table.

06. Key people, interests and benefits

- (c) As set out in section 7.7, Sir Warwick Andrew and Neil Herbert agreed to invest further funds in the Company, pursuant to the issue of certain convertible notes which will convert into Shares at completion of the Proposed Transaction. The Shares (along with certain options), held by Sir Warwick Andrew and Neil Herbert are as set out below:

Director	Shareholding (as a result of conversion)	Options to be issued
Sir Warwick Andrew	325,000	32,500
Neil Herbert	325,000	32,500

- (d) The aggregate Directors' shareholdings that will be notified to the ASX in accordance with the requirements of the ASX Listing Rules, is expected to be as follows:

Director	Shareholding (prior to completion of the Offers)	Shares expected to be acquired* (or sold) in connection with the Offers	Expected Shareholding* (on completion of the Offers)
Sir Warwick Andrew	1,323,747	641,295	1,965,042
Neil Herbert	336,735	1,151,085	1,487,820
Mandeep Bhandari	84,821	248,230	333,051

* With respect to Sir Warwick Andrew and Neil Herbert, the numbers assume the options acquired as part of their respective convertible notes (Sections 7.7 and 10.3(c) for further information) have been exercised in full.

- (e) The new Board's shareholding will be notified to the ASX in accordance with the requirements of the ASX Listing Rules and is expected to be as follows:

Director	Shareholding (prior to completion of the Offers)	Shares expected to be acquired* in connection with the Offers	Expected Shareholding* (on completion of the Offers)
Neil Joseph	Nil	38,258,426	38,258,426
Todd Ruppert	Nil	2,500,000	2,500,000
Rod Walker	Nil	2,241,148	2,241,148
David Fisher	Nil	Nil	Nil

* Shares to Neil Joseph represents Shares to Neil Joseph personally and his associated persons issued as part of the Vendor Offer. Todd Ruppert is expected to acquire Shares as part of the Investor Offer. Rod Walker will be issued Shares personally and to his associated persons as part of the Vendor Offer. Shares to Rod Walker represents Shares to Rod Walker personally and his associated persons as part of the Vendor Offer.

6.8 Other information about Directors' interests and benefits

Directors may also be reimbursed for all reasonable out of pocket expenses incurred in carrying out their duties as a Director.

Non-executive Directors may be paid such additional or special remuneration as the Directors decide is appropriate where a Director performs extra work or services which are not in the capacity as Director of the Company or its Subsidiaries.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

06. Key people, interests and benefits

6.9 Senior Management's interests and remuneration

(a) Managing Director

The Company has entered into an executive services agreement for the services to be provided by its Managing Director, Neil Joseph. The full terms of this executive services agreement are outlined in Section 6.5(a) above.

(b) Senior management service agreements

Each senior manager has entered into an agreement with the Company on substantially the same terms as those entered into by Neil Joseph except for differences in remuneration including entitlement to options under the employee Incentive Option Plan that has been established by the Company.

6.10 Employee Incentive Option Plan Terms

A summary of the terms of the Company's Incentive Option Plan is set out below.

- (a) **Eligibility and grant of Options:** Options granted under the Incentive Option Plan (**Options**) may be granted at the discretion of the Board to any director, contractor, full time, part time or casual employee of the Company or related body corporate (**Eligible Participant**).
- (b) **Invitation to apply for Options:** the Board may provide a written invitation to the Eligible Participant to apply for Options upon the terms set out in the Incentive Option Plan and upon such additional terms and conditions as the Board determines (**Offer**). The invitation document must specify:
 - (i) the maximum number of Options that the Eligible Participant may apply for, or the formula for determining the maximum number of Options that may be applied for;
 - (ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Option or the formula for determining the maximum number of Shares;
 - (iii) any applicable vesting conditions;
 - (iv) any restriction period applied by the Incentive Option Plan or that the Board has resolved to apply to Shares issued on exercise of the Options;
 - (v) the expiry date of the Options (**Expiry Date**);
 - (vi) the date by which an application for Options must be received by the Company; and
 - (vii) any other information required by law or the ASX Listing Rules.
- (c) **Number of Options Offered:** the number of Options which an Eligible Participant is invited to apply for pursuant to an Offer is within the discretion of the Directors. Each Option will, upon exercise of a vested Option, entitle the holder to receive, at the absolute discretion of the Board, either one (1) Share in the capital of the Company, or a cash payment of equivalent value.
- (d) **Cashless Exercise Facility:** Subject to Board approval, a Participant may set-off the Option exercise price (if any) against the number of Shares which the Participant is potentially entitled to receive upon exercise of the Options. The Participant will then receive, at the absolute discretion of the Board, either Shares or a cash payment to the value of the surplus after the Option exercise price has been set-off.
- (e) **Vesting Conditions:** An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the Offer for the Option.
- (f) **Option Exercise Price:** subject to any minimum price required by the ASX Listing Rules, the Board may determine the exercise price (if any) for an Option the subject of an Offer in its absolute discretion.
- (g) **Consideration:** Options issued under the Incentive Option Plan will be issued for no more than nominal cash consideration.

06. Key people, interests and benefits

- (h) **Escrow:** A Share issued on exercise of an Option may be subject to a restriction period.
- (i) **Quotation:** Options will not be quoted on the ASX.
- (j) **Lapse of Offer:** to the extent that an application for Options is not received by the Company by a specified date (**Closing Date**), the Offer will lapse on the date following the Closing Date.
- (k) **Shares Allotted Upon Exercise of Options:** The Company will issue or transfer Shares, or make a cash payment, to the Participant, within ten (10) days of receipt of a valid notice of exercise of vested Options. The Shares allotted under the Incentive Option Plan will be of the same class and will rank equally with Shares in the Company at the date of issue. The Company will seek listing of the new Shares on ASX within the time required by ASX Listing Rules.
- (l) **Transfer of Options:** An Option is non-transferable other than in special circumstances (if the holder suffers death or total and permanent disability, retirement, redundancy, severe financial hardship, or other circumstances determined in the Board's discretion or specified in the relevant Offer) with the consent of the Board. Options are otherwise transferable upon the holder's death to their legal personal representative or upon the holder's bankruptcy to their trustee in bankruptcy.
- (m) **Transfer of Shares:** The Board may, in its discretion, determine that a restriction period will apply to some or all of the Shares issued on exercise of Options, and Shares shall be subject to a restriction period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.
- (n) **Lapse of Options:** an Option shall lapse when:
 - (i) an unauthorised dealing in the Option occurs, or the holder engages in fraud, dishonesty or other improper behaviour;
 - (ii) a vesting condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction;
 - (iii) in respect of an unvested Option only, the relevant person ceases to be an Eligible Participant, subject to the Board's discretion to waive the lapsing of Options in special circumstances;
 - (iv) in respect of a vested Option only, a relevant person ceases to be an Eligible Participant and the Board resolves that the Options granted in respect of that relevant person must:
 - (A) be exercised within a specific period, and the Option is not exercised within that period; or
 - (B) be cancelled by the Company in consideration for a cash payment to the Participant, and a cash payment is made;
 - (v) the Company undergoes a change of control or a winding up resolution or order is made; or
 - (vi) the Option has not been exercised by the Expiry Date.
- (o) **Change of Control:** If a company obtains control of the Company as a result of a change of control the Company the vesting conditions are deemed to be automatically waived.
- (p) **Capital Reconstruction:** in the event of a capital reconstruction, the exercise price and/or number of Options will change to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (q) **Participation in New Issues:** There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new shares of capital offered to Shareholders during the currency of the Options without exercising the Options. In addition holders of Options will not be entitled to vote or receive dividends as a result of their holding of Options.

06. Key people, interests and benefits

6.11 Interests of advisers

The Company has engaged the following professional advisers in relation to the Offers:

- (a) PAC Partners has acted as Promoter to the Offers and the Company has agreed to pay the professional fees detailed in Section 10.3(d) to the Promoter.
- (b) Holding Redlich has acted as Australian legal adviser in relation to the Offers. The Company has paid, or agreed to pay, approximately \$119,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Holding Redlich in accordance with its normal time-based charges;
- (c) Hall Chadwick Corporate (NSW) Limited has acted as Investigating Accountant and has prepared the Investigating Accountant's Report and has performed work in relation to due diligence enquiries in connection with the Offers. The Company has paid, or agreed to pay, approximately \$20,000 (excluding disbursements and GST) for the above services up until the Prospectus Date;
- (d) Hall Chadwick Corporate (NSW) Limited has also prepared the Independent Expert's Report in relation to the acquisition of CSB Engage and issue of shares in WGO. The Company has paid, or agreed to pay, approximately \$25,000 (excluding disbursements and GST) for the above services up until the Prospectus Date;
- (e) Hall Chadwick Corporate (NSW) Limited has also provided taxation advice to the Company in connection with the Offers. The Company has paid, or agreed to pay, approximately \$10,000 (excluding disbursements and GST) for the above services up until the Prospectus Date.

The Promoter or its affiliates from time to time may in the future perform other investment banking and financial advisory services for the Company, Shareholders or their respective affiliates. Further, in the ordinary course of their trading, brokerage and financing activities, the Promoter and its affiliates may act as a market maker or buy or sell securities issued by the Company or associated derivatives as principal or agent. Customary fees and commissions are expected to be paid for any such services in the future.

These amounts, and other expenses of the Offers, will be paid out of funds raised under the Investor Offer or available cash (unless otherwise indicated). Further information on the use of proceeds and payment of expenses of the Offers are set out in Section 7.

6.12 Corporate Governance

(a) Overview

This Section explains how the new Board will oversee the management of the Company's business following Completion. The Board is responsible for the overall corporate governance of the Company, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy including approving the strategic goals of the Company and considering and approving an annual business plan, including a budget. The new Board will be committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the new Board will create a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The ASX Corporate Governance Council has developed and released the ASX Recommendations for ASX-listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The recommendations are not prescriptive, but guidance. However, under the ASX Listing Rules, the Company will be required to provide a statement in its annual report disclosing the extent to which it has followed the recommendations in the reporting period. The Board does not anticipate that the Company will depart from the ASX Recommendations, however, it may do so in the future if it considers that such a departure would be reasonable.

06. Key people, interests and benefits

The main policies and practices to be adopted by the Company immediately following Completion are summarised below. In addition, many governance elements are contained in the Constitution. The Company's Code of Conduct outlines the standards of conduct expected of the Company's business and personnel in a range of circumstances. In particular, the Code of Conduct requires awareness of, and compliance with, relevant laws and regulations and other policies and procedures of the Company. Details of the Company's key policies and practices and the charters for the Board and each of its committees will be available from Listing at <http://www.waratahresources.com.au>.

(b) Independence of Directors

In determining whether a Director is "independent", the Board has adopted the definition of this word in the ASX Recommendations. Consequently, a Director will be considered "independent" if that Director is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis, with the Board Charter to assist in this regard. The Board will regularly review the independence of each Director in light of interests disclosed to the Board and will disclose any change to the ASX, as required by the ASX Listing Rules.

The current Board considers that each of Rod Walker, Todd Ruppert and David Fisher are free from any business or any other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement and so each is considered an independent Director once appointed.

(c) Board Charter

The Company has approved a Board Charter to apply upon re-listing. The Board Charter sets out:

- (i) the composition and operation of the Board;
- (ii) the roles and responsibilities of the Board, Chair, company secretary, committees and management; and
- (iii) the delegation of authority by the Board to management and Board committees.

The Board's role is to:

- (iv) represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies and performance;
- (v) optimise the Company's performance and build sustainable value for Shareholders;
- (vi) set, review and ensure compliance with the Company's values and governance framework (including establishing and observing high ethical standards); and
- (vii) ensure that Shareholders are kept informed of the Company's performance and major developments.

Matters which are specifically reserved for the Board or its committees include:

- (i) appointment of a Chair;
- (ii) appointment and removal of the Managing Director and company secretary;
- (iii) ratifying the appointment and removal of senior executives;
- (iv) approving the remuneration policies and framework and determining whether the remuneration and conditions of service of senior executives are appropriate and consistent with the approved remuneration policies and framework;
- (v) establishing and monitoring succession planning;
- (vi) setting the specific limits of authority for management;
- (vii) calling meetings of Shareholders; and
- (viii) approving criteria for assessing performance of senior executives and monitoring and evaluating their performance.

06. Key people, interests and benefits

The Managing Director is responsible for running the day to day affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out these responsibilities, the Managing Director must report to the Board in a timely and clear manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

(d) Board committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities.

The Board will establish an Audit and Risk Management Committee, a Remuneration and Nomination Committee and a Disclosure Committee. Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements and the skills and experience of individual Directors.

Under the Board Charter, Board committee performance evaluations will occur annually.

(i) Audit and Risk Management Committee

Under its charter, the Audit and Risk Management Committee must be of sufficient size, independence and technical expertise to discharge its mandate effectively. The Audit and Risk Management Committee must have at least three members, a majority of whom (including the Chair) must be independent and all of whom must be non-executive Directors. A member of the Audit and Risk Management Committee, who does not Chair the Board, shall be appointed the Chair of the Committee.

In accordance with its charter, it is intended that all members of the Committee should be financially literate and have familiarity with financial management, and at least one member should have relevant qualifications and experience.

The primary role of the Audit and Risk Management Committee includes:

- (A) overseeing the Company's process of internal control structure, continuous disclosure, financial and non-financial risk management systems, and compliance and external audit;
- (B) providing advice to the Board and reports on the status and management of the risks to the Company, to ensure that risks are identified, assessed and appropriately managed;
- (C) monitoring the Company's compliance with laws and regulations and the Company's codes of conduct and ethics; and
- (D) encouraging effective relationships with, and communication between, the Board, management and the Company's external auditor.

The Board will adopt a policy regarding the services that the Company may obtain from its auditor. It is the policy of the Company that its external auditor:

- (A) must be independent of the Company and the Directors and senior executives. To ensure this, the Company requires a formal confirmation of independence from its external auditor on an annual basis; and

06. Key people, interests and benefits

(B) may not provide services to the Company that are, or are perceived to be, materially in conflict with the role of the external auditor. Non-audit or assurance services that may impair, or appear to impair, the external auditor's judgement or independence are not appropriate. However, the external auditor may be permitted to provide additional services which are, and are not perceived to be, materially in conflict with the role of the auditor, if the Board or Audit and Risk Management Committee has approved those additional services.

(ii) Remuneration and Nomination Committee

Under its charter, this Committee must have at least three members, a majority of whom (including the Chair) must be independent Directors and all of whom must be non-executive Directors. In accordance with its charter, it is intended that at least one member will have expertise in remuneration. The main functions of the Remuneration and Nomination Committee are to assist the Board with a view to establishing a Board of effective composition, size, diversity, experience and commitment to adequately discharge its responsibilities and duties, and assist the Board with a view to discharging its responsibilities to Shareholders and other stakeholders to seek to ensure that the Company:

- (A) has coherent remuneration policies and practices which enable the Company to attract and retain executives and Directors who will create value for Shareholders, including succession planning for the Board and executives;
- (B) fairly and responsibly remunerate Directors and executives, having regard to the performance of the Company, the performance of the executives and the general remuneration environment;
- (C) has policies to evaluate the performance of the Board, individual Directors and executives on (at least) an annual basis; and
- (D) has effective policies and procedures to attract, motivate and retain appropriately skilled and diverse persons to meet the Company's needs.

The Remuneration and Nomination Committee will meet as often as is required by its Charter or other policy approved by the Board to govern the operation of the Committee. Following each meeting, the Committee will report to the Board on any matter that should be brought to the Board's attention and on any recommendation of the Committee that requires Board approval.

(iii) Disclosure Committee

Pursuant to the Company's Disclosure and Communication Policy, the Company will establish a Disclosure Committee. Under its charter, this Committee must have at least three members consisting of the Company Secretary and two independent Directors. The Disclosure Committee will be responsible for considering disclosures of potentially market sensitive information to be made by the Company, and providing assurance to the Board that all potentially market sensitive information has been assessed for compliance with the Company's continuous disclosure obligations.

(e) Corporate Governance Principles and Policies

(i) Continuous disclosure policy

The Company is required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately disclose to the ASX any information concerning the Company which is not generally available and which, if it was made available, a reasonable person would expect to have a material effect on the price or value of the Company's securities, once the Company is aware of such information. The Company is committed to observing its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

06. Key people, interests and benefits

The Company will adopt a Continuous Disclosure Policy to take effect from ASX listing, which establishes procedures to ensure that Directors and senior management are aware of, and fulfil their obligations in relation to continuous disclosure, including the timely, full and accurate disclosure of material price-sensitive information when required. The Continuous Disclosure Policy also sets out procedures for communicating with Shareholders, the media and the market. Under the Continuous Disclosure Policy, the Disclosure Committee will be primarily responsible for managing the Company's compliance with its continuous disclosure obligations, with the Company Secretary responsible for Shareholder, media and market communications.

(ii) Share trading policy

The Company will adopt a Securities Trading Policy which will apply to the Company and its Directors, officers, employees and senior management, including those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly.

The Policy is intended to explain the types of conduct in relation to dealings in the securities of the Company that is prohibited under the Corporations Act and establish procedures in relation to Directors, senior management or employees dealing in the securities.

Subject to certain exceptions, including exceptional financial circumstances, the Securities Trading Policy defines certain "closed periods" during which trading in securities of the Company by the Directors, officers and certain employees is prohibited. Those closed periods are currently defined as the following periods:

- (A) the Company's year end until the business day after the release of the full year results;
- (B) the Company's half year end until the business day after the release of the half yearly results;
- (C) the date of release of any ASX announcement until the business day after the release; and
- (D) any additional periods imposed by the Board from time to time (for example when the Company is considering matters which are subject to ASX Listing Rule 3.1A).

Outside of these periods, Directors, senior management and certain employees must receive clearance for any proposed dealing in securities of the Company. In all instances, buying or selling securities of the Company is not permitted at any time by any person who possesses price-sensitive information concerning the Company.

(iii) Code of conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board will adopt a Code of Conduct to be followed by all employees, contractors and officers. The key aspects to the code are to:

- (A) act with, honesty, integrity and fairness, and in the best interests of the Company as a whole;
- (B) act in strict compliance with all applicable laws, regulations, policies and procedures;
- (C) have responsibility and accountability for individuals for reporting and investigating reports of unethical practices;
- (D) avoid conflicts of interest; and
- (E) use the Company's resources and property properly.

The Code of Conduct outlines the Company's policies on various matters including protection of confidential information, avoiding conflicts of interest, ethical conduct, business and personal conduct, privacy and financial integrity.

06. Key people, interests and benefits

(iv) Communications with Shareholders

The Board aims to ensure that Shareholders are provided with sufficient information to assess the performance of the Company and that Shareholders are properly informed of all major developments affecting the affairs of the Company. The Company is required by law to communicate to Shareholders through the lodgement of all relevant financial and other information with the ASX and publishing information on the Company's website, <http://www.waratahresources.com.au>.

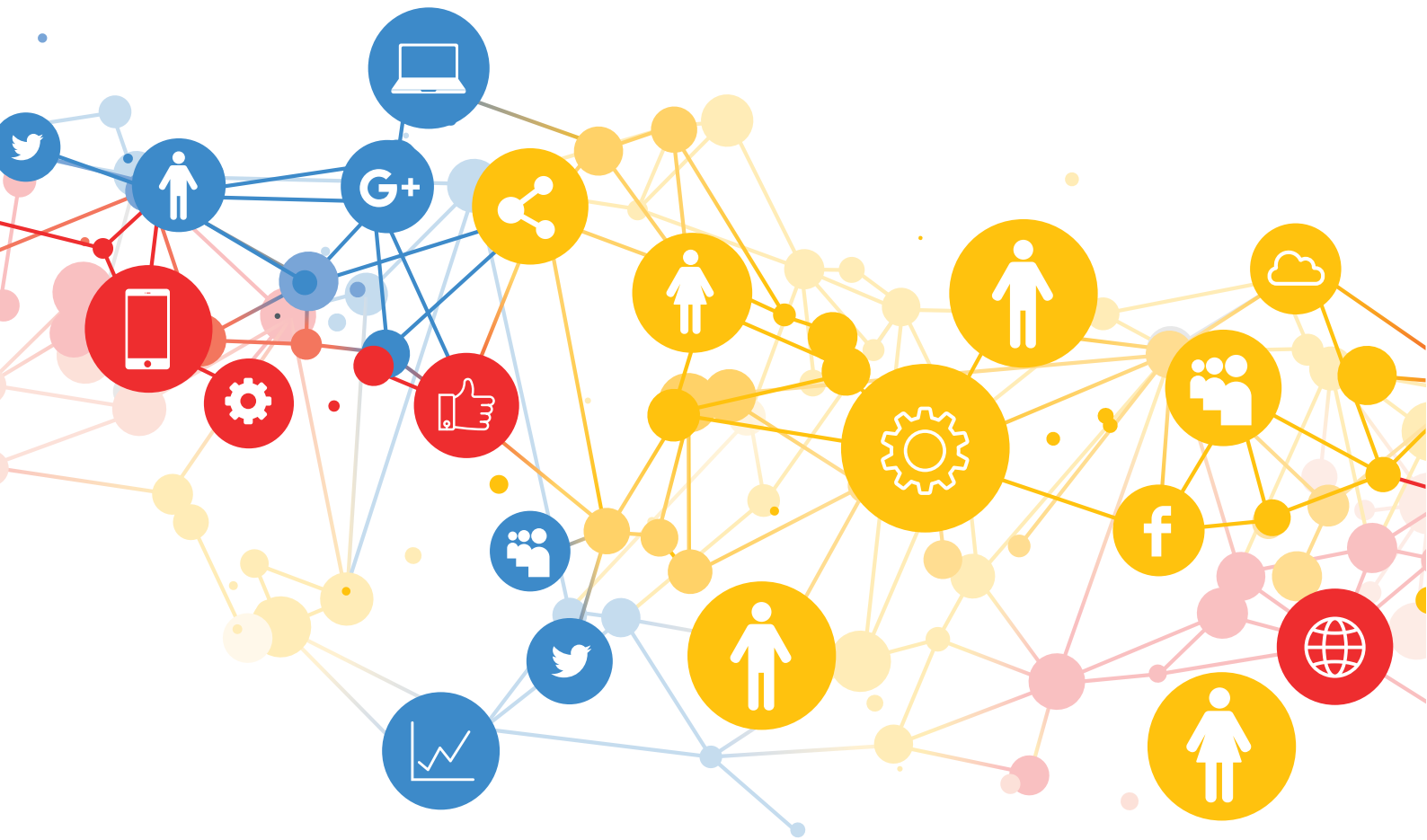
The Company's website will also contain information about the Company, including media releases, key policies and the charters of Board committees.

(v) Risk management policy

The identification and proper management of the Company's risks are an important priority of the Board. The Board will adopt a Risk Management Policy appropriate for its business, which will ensure appropriate systems are implemented to identify material risks that may impact on the Company's business and delegate appropriate responsibilities to control any identified risk. The Policy will also ensure that any material changes to the Company's risk profile will be disclosed in accordance with the Company's Continuous Disclosure Policy.

The Board will be responsible for overseeing and approving the Company's risk management strategy and policies, monitoring risk management, and establishing procedures which seek to provide assurance that major risks to the business are identified, assessed and appropriately addressed. The Board may delegate these functions to the Audit and Risk Management Committee or a separate risk committee in the future.

The Board will regularly undertake review of its risk management procedures to ensure that it complies with its legal obligations.



07.

Details of the offer

Details of the offer

07.

7.1 The Offers

This Prospectus relates to the Offers and the Proposed Acquisition. The Offers comprise of:

- (a) the Investor Offer (comprising of the Broker Firm Offer and the Institutional Offer);
- (b) the Vendor Offer;
- (c) the Performance Offer;
- (d) the Promoter Offer;
- (e) the Staff Offer; and
- (f) the Conversion Offer.

The Offers made on the terms, and is subject to the conditions, set out in this Prospectus. All Shares issued under the Offers will rank equally with each other.

The Offers are made to complete the Proposed Transaction and to raise the necessary funds required by the Company, and will be applied towards the Company's working capital requirements following completion of the Proposed Acquisition.

7.2 Investor Offer and purpose

Pursuant to this Prospectus, the Company is offering up to up to 45,000,000 Shares (on a post-Consolidation basis) at an issue price of \$0.20 per Share to raise up to \$9,000,000 before costs. The Minimum Subscription Amount is \$5,000,000.

Please refer to Important Dates Section for the Opening Date and Closing Date for the Offers, and refer to Section 7.17 for details on how to apply for Shares pursuant to the Investor Offer.

The purpose of the Investor Offer is to:

- (a) enable the Company to re-comply with ASX's admission and quotation requirements in accordance with Chapters 1 and 2 of the ASX Listing Rules;
- (b) enable the Company to satisfy a pre-condition to the completion of the Proposed Acquisition;
- (c) meet the expenses of the Offers;
- (d) provide working capital for the Company; and
- (e) provide funding for the development of the CSB Engage Business in the Australian and international markets, including the marketing and sale of the Existing Products and the ongoing development and trial of the Developing Products, in particular airBux.

If the maximum amount of \$9,000,000 is raised, the proposed expansion of the CSB Engage Business will in summary include deployment of sales and marketing teams in Australia, South Africa, Singapore including South East Asia and an increased technical capability in Australia. However, if the minimum amount of \$5,000,000 is raised, the Company will scale back its proposed expansion of the CSB Engage Business including by focusing on the Australian and South East Asia markets with a more limited focus on growing the CSB Engage Business in South Africa.

07. Details of the offer

A summary of the budgeted intended use of the funds is set out in the table below:

(a) If the minimum amount of \$5,000,000 is raised at the Public Offer:

PROPOSED USE OF FUNDS	Year 1	Year 2	Total
Capex	19,000	21,000	40,000
Convertible Loans Paid	1,500,000	0	1,500,000
Working Capital*	1,625,000	1,535,000	3,160,000
Capital Raise Cost	300,000	0	300,000
TOTAL	3,444,000	1,556,000	5,000,000

* The amount allocated to working capital includes administrative and operating costs as well as the repayment of approximately \$200,000 owed by Mobecom Australia (at 31 December 2016), relating to unpaid compulsory Superannuation Levy for its employees Please refer to Section 10.7 for further details.

(b) If the maximum amount of \$9,000,000 is raised at the Investor Offer:

PROPOSED USE OF FUNDS	Year 1	Year 2	Total
Capex	24,000	28,000	52,000
Convertible Loans Paid	1,500,000	0	1,500,000
Working Capital**	2,588,000	4,320,000	6,908,000
Capital Raise Cost	540,000	0	540,000
TOTAL	4,752,000	4,652,000	9,000,000

** The amount allocated to working capital includes administrative and operating costs as well as the repayment of approximately \$200,000 owed by Mobecom Australia (at 31 December 2016), relating to unpaid compulsory Superannuation Levy for its employees Please refer to Section 10.7 for further details.

Working capital allocated to Year 2 totaling \$4,320,000 includes surplus funds for Year 3 to be allocated to increased activities for the development of the Developing Products, including business development and software development costs.

The above tables are indicative only. Actual use of funds will depend on a variety of factors including the actual amount raised as part of the Investor Offer and various market conditions and the Company's progress and success in the implementation of its strategy following completion of the Proposed Transaction.

7.3 Vendor Offer and purpose

The Company has entered into the Share Sale Agreement.

This Prospectus includes an offer of up to 112,451,788 Shares to the CSB Engage Vendors in consideration for the acquisition of all the issued shares in CSB Engage by the Company.

The Vendor Offer is made to the CSB Engage Vendors only, and is not available to the public.

No funds will be raised from the Vendor Offer.

07. Details of the offer

7.4 Performance Offer and purpose

This Prospectus includes an offer of 5,700,000 Options to the Management Group under the Company's Incentive Option Plan. The Incentive Option Plan was approved by Shareholders at the General Meeting.

Each Option will, upon vesting, entitle the holder to one Share in the capital of the Company. Upon exercise, the Options will convert into a maximum number of 5,700,000 Shares.

The Options under the Performance Offer are to be issued as follows:

Management Group member	Options to be issued
Neil Joseph	1,695,000
Chris Joseph	1,335,000
Sean Smith	1,335,000
Aubrey Sonnenberg	1,335,000
TOTAL	5,700,000

The Options will be subject to specific performance criteria (**Performance Criteria**), which must be satisfied as at specific dates (**Vesting Dates**) by the person to whom the Options have been granted.

It is currently contemplated that these Options will be granted upon completion of the Proposed Transaction (**Grant Date**).

More generally, the proposed Vesting Dates for all the Options are:

- (a) 30 June 2019 (**Vesting Date 1**); and
- (b) 30 June 2020 (**Vesting Date 2**).

The Options to be issued to each holder will also be subject to a continuous employment/service vesting/forfeiture condition from the Grant Date to the applicable Vesting Date.

However, if employment/service ceases because of death, total permanent disability, redundancy or other special circumstances as determined by the Board, any unvested Options will not lapse as a consequence and will continue to be subject to the Performance Criteria unless otherwise determined by the Board.

If the Performance Criteria are not met at the relevant Vesting Date, the Options relating to that Vesting Date will not vest and will lapse.

If granted, the Options will expire 90 days after the Vesting Date unless exercised beforehand.

07. Details of the offer

Performance Criteria:

The number of Options which vest will be determined by:

- (a) the price of the Company's Shares as at the relevant Vesting Date, calculated on the volume weighted average sale price of Shares for the 20 business days immediately preceding the relevant Vesting Date; and
- (b) the Company's revenue, calculated on the Company's audited and reported financial results for the 12 months immediately preceding the Vesting Date.

The number of Options that will vest will therefore be determined by the Company's performance against the Performance Criteria for the relevant period, as follows:

Vesting Date	Maximum Number of Options Vesting	Target (50% vest)	Maximum (100% vest)
Share Price			
30 June 2019	25% of issued Options	\$0.30	\$0.40
30 June 2020	25% of issued Options	\$0.40	\$0.60
Revenue			
30 June 2019	25% of issued Options	\$5,500,000	\$7,070,000
30 June 2020	25% of issued Options	\$7,000,000	\$11,560,000

For each Performance Criteria, and at each Vesting Date, the Board will determine how the Performance Criteria are to be measured. A target measure and maximum measure will be established for each Performance Criteria, and Options may vest in accordance with the following scale:

Performance	Result
Less than Target	No Options will vest.
Achievement of Target	50% of Options for that Performance Criteria and Vesting Period will vest.
Achievement of Maximum	100% of Options for that Performance Criteria and Vesting Period will vest
Between Target and Maximum performance	50% of the Options for that Performance Criteria and relevant Vesting Date, plus an additional number of Options (calculated on a straight line basis) between the Target and Maximum measures.

The Performance Offer is a separate offer to the Management Group only.

Each Option is issued for nil consideration and no consideration will be payable upon the achievement of the Performance Criteria. Therefore, no funds will be raised from the Performance Offer.

07. Details of the offer

7.5 Promoter Offer and purpose

This Prospectus also includes an offer of up to 297,619 Shares and between 4,963,817 and 5,563,817 options to the Promoter. The options (which will convert into Shares on a 1:1 basis), equal to 3% of the market capitalisation of the Company following the completion of the Proposed Transaction.

The options will be exercisable at a price which is 30% higher than the price of the Investor Offer, and will lapse on the expiry of 3 years from the date on which they are issued.

The Promoter Offer is a separate offer to the Promoter only. However, the options may be distributed to any sophisticated and/or professional investors that the Promoter determines.

No funds will be raised from the issue of Shares under the Promoter Offer. However, funds may be raised from the exercise of the options issued to the Promoter. Any funds raised as a result of the exercise of the options, will be applied towards the Company's proposed deployment of sales and marketing teams in Australia, South Africa, Singapore including South East Asia and an increased technical capability in Australia, being for the same purpose that the funds from the Investor Offer are to be used. Refer to section 7.2 for further details.

7.6 Staff Offer and purpose

The Company has certain debts to former and existing Directors and the Company Secretary as set out in the table below. The Company has agreed with each person below that their relevant debt will be satisfied by way of an issue of Shares at the Offer Price, which shares will be issued at completion of the Proposed Transaction.

The table below also sets out the number of shares being offered to each former and existing Directors and the Company Secretary.

Name	Purpose of issue	Amount to be settled	Number of Shares @ 20 cents per Share
Benjamin Kirkpatrick	Settlement of accrued salary and related items owing to Benjamin Kirkpatrick, former CEO of the Company.	\$269,175	1,345,875
Neil Herbert	Unpaid director's fees accrued to 30 April 2017 totalling \$58,717 and \$100,000 in shares for Neil Herbert's services as Interim Managing Director and CEO in accordance with his contract with the Company.	\$158,717	793,585
Warwick Andrew	Unpaid and accrued director's fees to 30 April 2017.	\$56,759	283,795
Mandeep Bhandari	Unpaid and accrued director's fees to 30 April 2017.	\$49,646	248,230
Anne Adaley	Payment in lieu of services provided.	\$50,000	250,000
TOTAL		\$584,297	2,921,485

The Staff Offer is a separate offer only to the persons named in the table above for the corresponding number of Shares against each persons' name.

No funds will be received by the Company for the issue of Shares under the Staff Offer. Instead, the amount due to the Company for the Shares will be set off against debts owed by the Company to the recipient of the relevant Shares, which frees up Company cash to be applied towards the Company's working capital requirements and other purposes.

07. Details of the offer

7.7 Conversion Offer and purpose

The Conversion Offer is an offer to Sir Warwick Andrew, Neil Herbert and Kempson Capital as follows:

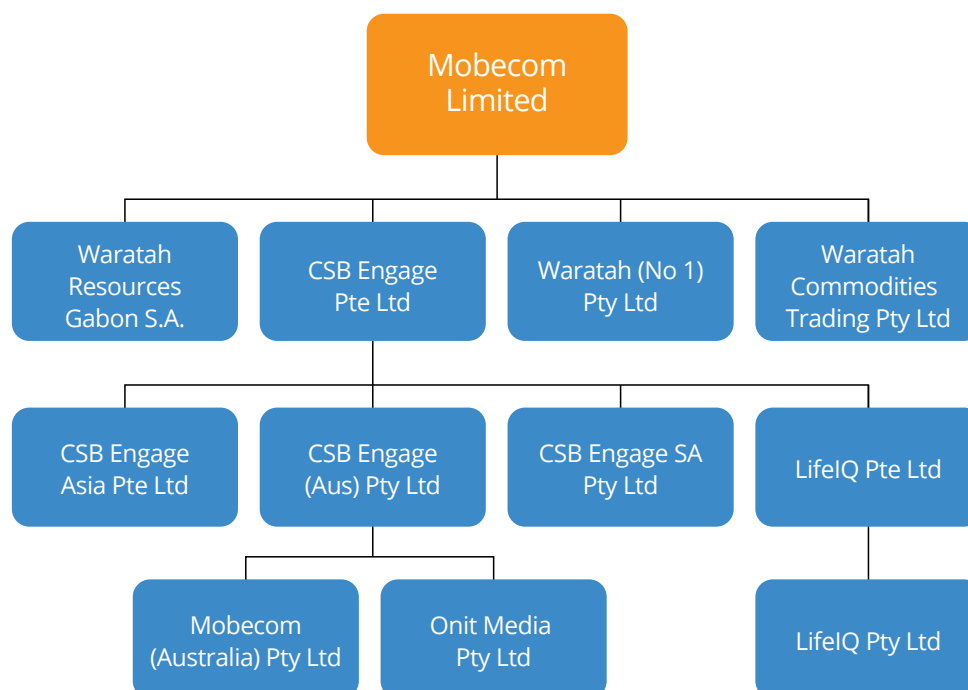
- (a) Kempson Capital invested \$100,000 in the Company in February 2017, pursuant to the issue of convertible notes which will:
 - (i) convert into 500,000 Shares at completion of the Proposed Transaction; and
 - (ii) entitle Kempson Capital to the issue of 50,000 options at a nil consideration price, which allows Kempson Capital to subscribe for one Share for each option at the exercise price of \$0.26. The options may be exercised at any time during the 36 month period following the completion of the Proposed Transaction (following the expiry of which period, the options automatically expire).
- (b) Sir Warwick Andrew agreed in February 2017 to invest a further \$65,000 in the Company, pursuant to the issue of convertible notes which will:
 - (i) convert into 325,000 Shares at completion of the Proposed Transaction; and
 - (ii) entitle Sir Warwick Andrew to the issue of 32,500 options at a nil consideration price, which allows Sir Warwick Andrew to subscribe for one Share for each option at the exercise price of \$0.26. The options may be exercised at any time during the 36 month period following the completion of the Proposed Transaction (following the expiry of which period, the options automatically expire).
- (c) Neil Herbert agreed in February 2017 to invest a further \$65,000 in the Company, pursuant to the issue of convertible notes which will:
 - (i) convert into 325,000 Shares at completion of the Proposed Transaction; and
 - (ii) entitle Neil Herbert to the issue of 32,500 options at a nil consideration price, which allows Neil Herbert to subscribe for one Share for each option at the exercise price of \$0.26. The options may be exercised at any time during the 36 month period following the completion of the Proposed Transaction (following the expiry of which period, the options automatically expire).

The Company raised these funds to pay transaction costs associated with the Proposed Transaction.

07. Details of the offer

7.8 Corporate structure of the Company

The following diagram represents the Company's corporate structure following Completion.



* **Note:** Infinite Networks Inc has previously been issued with 10% of equity in LifelQ Pte Ltd in error. Please refer to Section 10.6 for more information about Infinite Networks Inc and its holding in LifelQ Pte Ltd.

7.9 Financial and other information about the Company

The Company's Pro Forma Historical Statement of Financial Position following completion of the Offers, including details of the pro forma adjustments, is set out in Section 4.4 and 4.5.

The Company's capitalisation and indebtedness as at 31 December 2016, before and following completion of the Offers, are set out in Section 4.6.

The Directors believe that, on completion of the Offers, the Company will have sufficient funds available to fulfil the purposes of the Offers and meet its stated business objectives.

07. Details of the offer

7.10 Shareholder ownership and control implications

The effect on the capital structure and ownership of the Company (on a post-consolidation basis), are summarised in the table in the Key Offer Information Section of this Prospectus (see Section 1.5).

The effect of the changes to the capital structure and ownership of the Company reduces the ownership of the Existing Shareholders of the Company as follows:

Point in time	Min raising \$5m	Max raising \$9m
Existing Shareholder percentage of shareholding at re-listing	14.29%	12.75%
Existing Shareholder percentage of shareholding if all potential Shares are also issued post re-listing	12.78%	11.53%

The potential effect that the issue of the new Shares under the Offers will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. The details of Shares owned by the relevant parties immediately prior to the Offers, and on completion of the Offers (staged), are set out below:

	Total number of Shares on issue	% held by Existing Shareholders	% held by CSB Engage Vendors**	% held by Promoter*	% held by the public	% held by staff subject to the Staff Offer [†]	% held by parties subject to the Conversion Offer [†]	% held by the Management Group [†]	% held by eligible participants under the Incentive Option Plan [†]
Prior to issue under any Offer	23,639,727	100.00%	-	-	-	-	-	-	-
After issue of Shares under Vendor Offer	136,091,515	17.37%	82.63%	-	-	-	-	-	-
After issue of Shares under Promoter Offer	136,389,134	17.33%	82.45%	0.22%	-	-	-	-	-
After issue of Shares under Investor Offer (Max raising \$9m)	181,389,134	13.03%	61.99%	0.16%	24.81%	-	-	-	-
After issue of Shares under the Staff Offer	184,310,619	12.83%	61.01%	0.16%	24.42%	1.59%	-	-	-
After the issue of Shares under the Conversion Offer	185,460,619	12.75%	60.63%	0.16%	24.26%	1.58%	0.62%	-	-

If all potential shares are also issued post re-listing

07. Details of the offer

	Total number of Shares on issue	% held by Existing Shareholders	% held by CSB Engage Vendors ^{**}	% held by Promoter [*]	% held by the public	% held by staff subject to the Staff Offer [#]	% held by parties subject to the Conversion Offer ⁺	% held by the Management Group ⁺	% held by eligible participants under the Incentive Option Plan ⁺
After the issue of Shares under the options issued under the Performance Offer	191,160,619	12.37%	58.83%	0.16%	23.54%	1.53%	0.60%	2.98%	–
After the issue of Shares under the options issued under the Promoter Offer	196,724,436	12.02%	57.16%	2.98%	22.87%	1.49%	0.58%	2.90%	–
After the issue of Shares under the options issued under the Conversion Offer	196,839,436	12.01%	57.13%	2.98%	22.86%	1.48%	0.64%	2.90%	–
After the issue of Shares under options to be issued under the Incentive Option Plan	205,597,436	11.50%	54.70%	2.85%	21.89%	1.42%	0.62%	2.77%	4.26%

Note: The table above is prepared on the basis that each Offer is subscribed to the maximum possible extent.

7.11 Substantial Shareholders

Shareholdings holding or controlling 5% or more of the Share on issues at the date of this prospectus are set out below:

Name	Number of Shares pre-Offers	%
Tulla Group	1,285,714	5.44%
Warwick Andrew	1,323,747	5.60%

07. Details of the offer

Those Shareholders holding or controlling 5% or more of the Share on issues following Completion are set out below:

(a) if the minimum amount of \$5 million is raised under the Investor Offer:

Name	Approximate % of Shares post-Offers
Tulla Group	6.56%
Neil Joseph and his associated persons (being each of Christopher Joseph, Helen Joseph and Jennifer-Anne Joseph who are Neil Joseph's family members and Hotazel Holdings Pty Ltd which is a trustee of a trust for the benefit of Neil Joseph and his family members)	23.12%
Lawrance Christopher Lister	11.59%
Aubrey Sonnenberg	7.54%

(b) if the maximum amount of \$9 million is raised under the Investor Offer:

Name	Approximate % of Shares post-Offers
Tulla Group	5.86%
Neil Joseph and his associated persons (being each of Christopher Joseph, Helen Joseph and Jennifer-Anne Joseph who are Neil Joseph's family members and Hotazel Holdings Pty Ltd which is a trustee of a trust for the benefit of Neil Joseph and his family members)	20.63%
Lawrance Christopher Lister	10.34%
Aubrey Sonnenberg	6.73%

7.12 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are quoted on the ASX (although currently suspended).

The 52 week high for the Company's Shares is \$0.009. The previous close for the Shares was \$0.009 (assuming consolidation on a 28:1 basis, affects the share price accordingly, the close price of each Share would be approximately \$0.252 – noting however this does not take into consideration that trading in Shares was suspended from Official Quotation on 11 May 2016).

07. Details of the offer

7.13 Terms and conditions of the Investor Offer

TOPIC	SUMMARY
What is the type of security being offered under the Investor Offer?	Shares (being fully paid ordinary shares in the Company).
What are the rights and liabilities attached to the new Shares being offered?	A description of the Shares, including the rights and liabilities attaching to them is set out in Section 8.4.
What is the consideration payable for the new Shares?	The Offer Price is \$0.20 per Share.
What is the Investor Offer period?	The key dates, including the details of the Investor Offer period, are set out on page 9.
What are the cash proceeds to be raised?	A minimum of \$5,000,000 up to \$9,000,000.
What is the allocation policy?	The allocation of Shares between the Broker Firm Offer and the Institutional Offer will be determined by agreement between the Company and the Promoter, having regard to the allocation policy outlined in Sections 7.13 and 7.17. With respect to the Broker Firm Offer, it is a matter for the Brokers (and not the Company) how they allocate Shares among eligible clients. For further information on the Broker Firm Offer, see Section 7.2]. The allocation of Shares under the Institutional Offer will be determined by agreement between the Company and the Promoter.
When will I receive confirmation whether my Application has been successful?	It is expected that initial holding statements will be mailed by standard post on or about 21 July 2017.
Will the new Shares be quoted?	The Company will apply for re-admission to the Official List of the ASX and quotation of Shares on ASX under the code "MBM".

07. Details of the offer

TOPIC	SUMMARY
When are the new Shares expected to commence trading?	<p>It is expected that trading of the Shares, including the new Shares, on the ASX will commence on 26 July 2017.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading in Shares.</p> <p>Applicants who sell Shares before they receive an initial statement of holding do so at their own risk.</p> <p>The Company, the Share Registry and the Promoter disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, even if such person received confirmation of allocation from the Mobecom Offer Information Line, by a broker or otherwise.</p>
Is the Investor Offer underwritten?	<p>The Investor Offer will not be underwritten.</p>
Are there any escrow arrangements?	<p>Yes. Further, details are provided in Section 7.16.</p>
Have any ASX confirmations or ASIC modifications been obtained or relied on?	<p>The Company has applied to ASX for a waiver of the escrow provisions of the ASX Listing Rules (being ASX Listing Rule 9.1.3 and Appendix 9B) as they apply to certain Shares issued pursuant to the Vendor Offer. If such relief is granted, the Company will be permitted to:</p> <ul style="list-style-type: none">(a) amend the commencement of the 24 month escrow period prescribed by Paragraph 2, Appendix 9B in respect to the Shares issued to the CSB Engage Vendors who are:<ul style="list-style-type: none">» not related parties of CSB Engage or the Promoter, so that the escrow period begins on 1 January 2017; and» related parties of CSB Engage or the Promoter, so that the escrow period begins on 1 January 2017; and(b) have regard to the issue price of each CSB Engage Vendor's Shares when determining the proportion of each CSB Engage Vendor's Shares that will be treated as restricted securities pursuant to Listing Rule 9.1.3.
Are there any taxation considerations?	<p>Yes. Please refer to Section 10.5 and note it is recommended that all potential investors consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.</p>

07. Details of the offer

TOPIC	SUMMARY
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offers. See Section 6.11(a) for details of various fees payable by the Company to the Promoter.
What should I do with any enquiries?	Enquiries in relation to this Prospectus may be directed to Tom Fairchild at PAC Partners on (03) 8633 9867) or +61 (0) 3 8633 9867 (outside Australia) from 9.00am until 5.00pm (AEST) Monday to Friday. If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

7.13.1 Broker Firm Offer

(a) Who May Apply

The Broker Form Offer constituted by this Prospectus in electronic form is available only to persons with a registered address within Australia and who have a firm allocation of Shares from their Broker. If you have been offered a firm allocation of Shares by a Broker, you will be treated as an Applicant under the Broker Firm Offer in relation to that allocation. You should contact your Broker to determine whether you may be allocated Shares under the Broker Firm Offer.

(b) How to Apply

Applications for new Shares offered under the Broker Firm Offer may only be made on the Application Form attached to and forming part of this Prospectus. Please read the instructions on the Application Form carefully before completing it.

Applications for Shares under the Broker Firm Offer must be made using the Application Form. If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Application Form and Application Monies with the Broker from whom you received your firm allocation of Shares. Applicants under the Broker Firm Offer must not be sent to the Share Registry.

Applications for Shares under the Broker Firm Offer must be for a minimum of 10,000 Shares and thereafter in multiples of 1,000 Shares and payment for the Shares must be made in full at the issue price of \$0.20 per Share. The Company and Promoter reserve the right to aggregate any applications which they believe are multiple applications from the same person, or to reject or scale back any applications.

A completed Application Form is an offer by an Applicant to the Company to apply for the amount of Shares specified in the Application Form on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an Application by an Applicant is irrevocable.

The Company reserves the right to decline any Application and all Applications in whole or in part, without giving any reason. Applicants under the Broker Firm Offer whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable. Interest will not be paid on any monies refunded. Acceptance of an Application will give rise to a binding contract.

07. Details of the offer

Completed Application Forms and accompanying cheques, made payable to “**MOBECOM LIMITED**” and crossed “Not Negotiable”, must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date. The Company and the Promoter may elect to extend the Offer or any part of it, or to accept late applications in particular cases or generally. The Offer, or any part of it, may be closed at an earlier date or time without notice, or your Broker may impose an earlier closing date. Applicants are therefore encouraged to submit their Application Forms as soon as possible. Please contact your Broker for instructions.

(c) How to pay

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions received from their Broker.

(d) Broker Firm allocation policy

The allocation of firm stock to Brokers has been determined by agreement between the Company and the Promoter. Shares which have been allocated to Brokers for allocation to their Australian resident clients will be issued to the Applicants who have received a valid allocation of Shares from those Brokers (subject to the right of the Company and the Promoter to reject or scale back Applications). It will be a matter for those Brokers how they allocate Shares among their clients and they (and not the Company) will be responsible for ensuring that clients, who have received an allocation of Shares from them, receive the relevant Shares.

(e) Application Monies

Application Monies received under the Broker Firm Offer will be held in a special purpose account until Shares are issued or transferred to successful Applicants. Applicants under the Broker Firm Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in the Company’s discretion provided with) a refund (without interest) of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any Application Monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

(f) Announcement of final allocations in Broker Firm Offer

Applicants in the Broker Firm Offer will be able to confirm their allocation through the Broker from whom they received their allocation.

7.13.2 Institutional Offer

(a) Invitation to Bid

The Institutional Offer is an invitation to Australian resident Institutional Investors and other eligible Institutional Investors in jurisdictions outside the United States to bid for Shares, made under this Prospectus. The Promoter separately advised Institutional Investors of the Application procedures for the Institutional Offer.

(b) Institutional Offer allocation policy

The allocation of Shares between the Institutional Offer and the Broker Firm Offer was determined by agreement between the Company and the Promoter. The Promoter, in consultation with the Company, determined the basis of allocation of Shares among Institutional Investors. Participants in the Institutional Offer have been advised of their allocation of Shares, if any, by the Promoter.

The allocation policy was influenced by the following factors:

- the number of Shares bid for by particular bidders;
- the timeliness of the bid by particular bidders;
- the Company’s desire for an informed and active trading market following re-admission to the Official List of ASX;

07. Details of the offer

- the Company's desire to establish a wide spread of institutional Shareholders;
- overall levels of demand under the Broker Firm Offer and Institutional Offer;
- the size and type of funds under management of particular bidders;
- the likelihood that particular bidders will be long term Shareholders; and
- any other factors that the Company and the Promoter considered appropriate.

(c) Restrictions on distribution

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to subscribe for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed in the United States and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

The Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act laws and any other applicable securities laws.

Each Applicant in the Broker Firm Offer and Institutional Offer will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States;
- it is not in the United States;
- it has not and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia.

Each Applicant under the Institutional Offer will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

7.13.2 Acknowledgements

Each Applicant under the Investor Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Investor Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) accompanying the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that once the Company receives an Application Form it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;

07. Details of the offer

- authorised the Company and the Promoter and their respective Officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends;
- acknowledged that any dividends paid by the Company may be unfranked or only partially franked and that the unfranked portion of any such dividends may not attach conduit foreign income;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not investment advice or taxation advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs of the Applicant(s); and
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Institutional Offer).

7.14 Restrictions on distribution

No action has been taken to register or qualify this Prospectus, the Shares or the Offers or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to subscribe for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

Each Applicant will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

7.15 Underwriting arrangement

This Offers will not be underwritten.

7.16 Escrow arrangements

Subject to the Company being re-admitted to the Official List, certain Shares on issue prior to the Offers will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

It is estimated that up to 118,449,407 Shares may be subject to escrow as follows:

- up to 112,451,788 Shares for 24 months from the date of Official Quotation, being the Shares issued under the Vendor Offer to each of the CSB Engage Vendors, Tulla, Rod Walker, Frederick Kempson and Mark Barnard (subject to matters set out in section 7.19);
- 297,619 Shares, the Promoter Offer, issued to the Promoter; and
- 5,700,000 Shares issued to the Management Group, the Performance Offer, under the Incentive Option Plan (being subject to certain performance milestones being met).

The shares issued under the Investor Offer, the Staff Offer and the Conversion Offer will not be subject to escrow.

The Company has made a submission to the ASX seeking an abridgment of the escrow terms applicable to certain Shares to be issued under the Vendor Offer on a 'look through' and 'cash rule' basis (further details are set out in Section 7.19). The Company will announce to the market full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX once ASX's decision has been provided.

07. Details of the offer

The ASX has requested that a holding lock be placed over 131,999,999 Shares during the suspension of the Company's Shares from trading, being:

- (a) 36,000,000 Shares issued on 4 February 2016 to Tulla;
- (b) 81,142,857 Shares issued on 24 August 2016 under a placement; and
- (c) 14,857,142 Shares issued on 25 October 2016 to Neil Herbert and Sir Warwick Andrew, being directors of the Company.

It is anticipated that the holding lock will be removed upon completion of the Offer and re-admission to the Official List.

7.17 How to Apply and Discretion of Company

All applications for Shares under the Offers must be made in accordance with this Section 7.17.

(a) Investor Offer

Applications for new Shares offered to the public by this Prospectus may only be made on the Offer Application Form attached to and forming part of this Prospectus. Please read the instructions on the Application Form carefully before completing it.

(b) Vendor Offer

The Vendor Offer is made solely to, and only capable of acceptance by, the CSB Engage Vendors. A personalised application form will be provided to each CSB Engage Vendor together with a copy of this Prospectus.

(c) Performance Offer

The Performance Offer is made solely to, and is only capable of acceptance by, the following persons, being the Management Group:

- (i) Neil Joseph;
- (ii) Chris Joseph;
- (iii) Sean Smith; and
- (iv) Aubrey Sonnenberg.

A personalised application form will be provided to each person listed above, together with a copy of this Prospectus.

(d) Promoter Offer

The Promoter Offer is made solely to, and is only capable acceptance by, the Promoter. A personalised application form will be provided to the Promoter together with a copy of this Prospectus.

07. Details of the offer

(e) Staff Offer

The Staff Offer is made solely to, and is only capable of acceptance by, the following persons, being former and existing directors and the Company Secretary:

- (i) Benjamin Kirkpatrick;
- (ii) Neil Herbert;
- (iii) Warwick Andrew;
- (iv) Mandeep Bhandari; and
- (v) Anne Adaley.

A personalised application form will be provided to each person listed above, together with a copy of this Prospectus.

(f) Conversion Offer

The Conversion Offer is made solely to, and is only capable of acceptance by, the following persons:

- (i) Kempson Capital Pty Ltd;
- (ii) Sir Warwick Andrew; and
- (iii) Neil Herbert.

A personalised application form will be provided to each person listed above, together with a copy of this Prospectus.

7.18 Discretion regarding the Offers

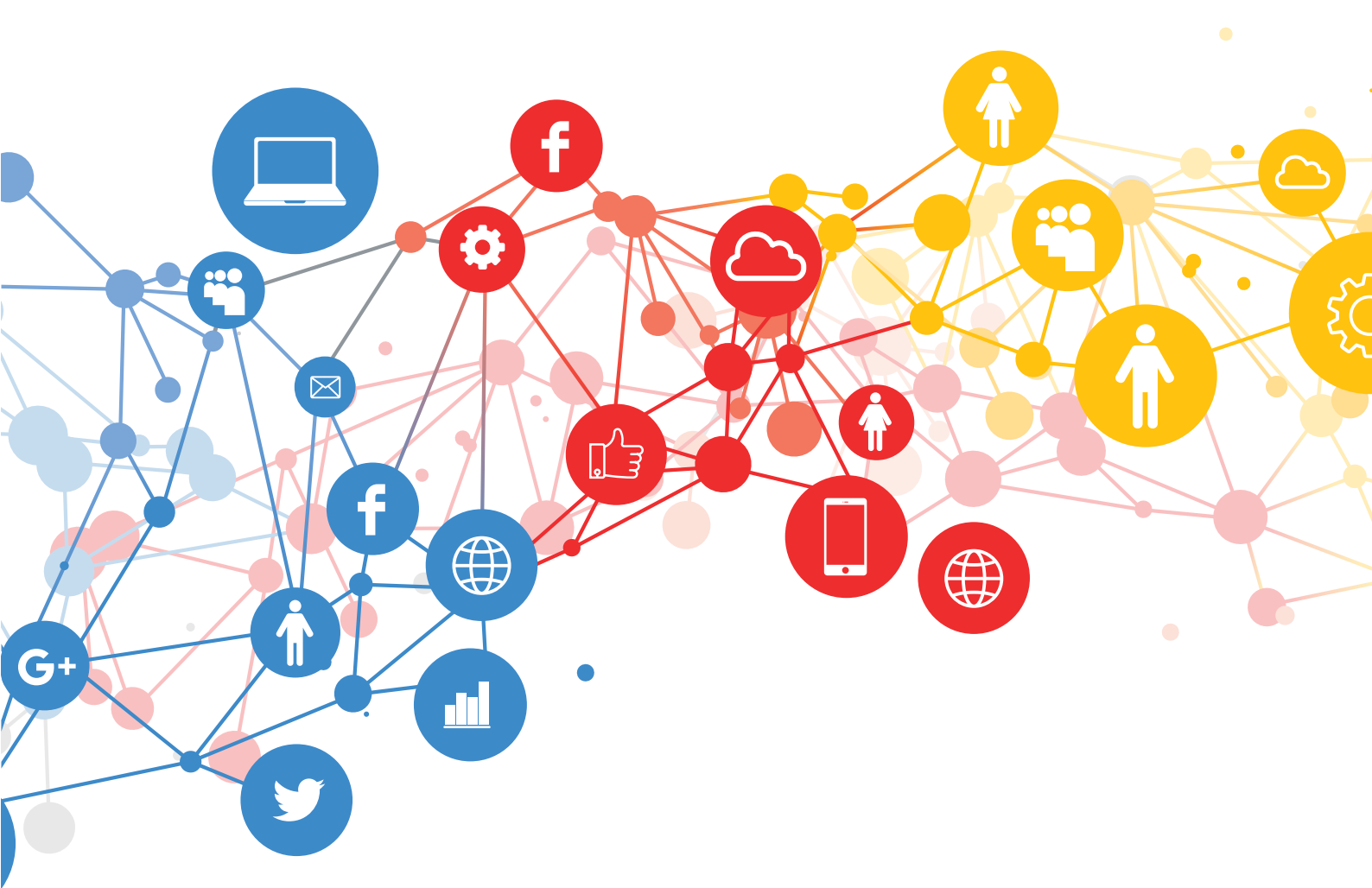
The Company may withdraw the Offers at any time before the issue or transfer of Shares to successful Applicants or bidders. If an Offer does not proceed, all Application Monies (where applicable) will be refunded (without interest).

The Company and the Promoter also reserve the right to close the Offers or any part of the Offers early, extend the Offers or any part of the Offers, accept late applications or bids either generally or in particular cases, reject any application or bid, or allocate to any Applicant or bidder fewer Shares than applied or bid for.

7.19 ASX waivers

The Company has applied to ASX for a waiver of the escrow provisions of the ASX Listing Rules (being ASX Listing Rule 9.1.3 and Appendix 9B) as they apply to certain Shares issued pursuant to the Vendor Offer. If such relief is granted, the Company will be permitted to:

- (a) amend the commencement of the 24 month escrow period prescribed by Paragraph 2, Appendix 9B in respect to the Shares issued to the CSB Engage Vendors who are not related parties of CSB Engage or of the Promoter, so that the escrow period begins on the date that the relevant CSB Engage Vendor subscribed for shares in CSB Engage; and
- (b) have regard to the issue price of each CSB Engage Vendor's Shares when determining the proportion of each CSB Engage Vendor's Shares that will be treated as restricted securities pursuant to Listing Rule 9.1.3.



08.

ASX listing rules

8.1 Re-compliance with ASX Listing Rules

The Company will apply to the ASX for admission to the Official List and quotation of Shares on the ASX (which is expected to be under the code "MBM").

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription under this Prospectus.

If permission is not granted for the official quotation of the Shares on the ASX within three months after such application is made (or any later date permitted by law), all application monies received by the Company will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by us from time to time), the Company will be required to comply with the ASX Listing Rules.

8.2 CHESS and issuer sponsored holdings

The Company participates in the ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following completion of the Offers, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (HIN) for CHESS holders or, where applicable, the Securityholder Reference Number of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

8.3 Deferred settlement trading and selling Shares on market

It is expected that trading of the Shares on the ASX (on a deferred settlement basis) will commence on or about 25 July 2017.

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Company, the Share Registry and the Promoter disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the Company Offers Information Line or confirmed your firm allocation through a broker.

Shares are expected to commence trading on the ASX on a normal settlement basis on or about 28 July 2017.

08. ASX listing rules

8.4 Description of Shares

(a) Introduction

The rights and liabilities attaching to ownership of Shares are:

- (i) detailed in the Constitution of the Company; and
- (ii) in certain circumstances, regulated by statute, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that the Company is admitted to the official list of the ASX.

(b) Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands.

On a poll, every member (or his or her proxy, attorney or representative) is entitled to one vote for each fully paid Share held or such number of votes equivalent to any partly paid shares held.

(c) Meetings of members

Each Shareholder is entitled to receive notice of, attend and vote at 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. At least 21 days' notice of a meeting must be given to Shareholders.

(d) Dividends

Subject to the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the Constitution, the Board may declare a dividend including an interim dividend is payable on Shares from time to time. The Board may fix the amount of the dividend, the time for determining entitlements to the dividend and the time and the method of payment of the dividend.

(e) Transfer of Shares

Subject to the Constitution, Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by a written instrument of transfer which is approved by the Board or by any other method permitted by the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules.

The Board may refuse to register a transfer of Shares where permitted to do so under the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules. The Board must refuse to register a transfer of Shares when required to by the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules.

(f) Issue of further shares

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, the Company may issue, or grant options in respect of, or otherwise dispose of, further shares on such terms and conditions as the Directors resolve.

(g) Winding up

Subject to the Constitution, the Corporations Act and any special resolution or preferential rights or restrictions attached to any class or classes of shares, members will be entitled on a winding up to a share in any surplus assets of the Company in proportion to the Shares held by them.

08. ASX listing rules

(h) Unmarketable parcels

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Company may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares.

(i) Share buy-backs

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Company may buy back shares in itself on terms and at times determined by the Board.

(j) Proportional takeover provisions

The Constitution contains provisions requiring Shareholder approval before any proportional takeover bid can proceed. These provisions will cease to apply unless renewed by special resolution of the Shareholders in a general meeting by the third anniversary of the date of the Constitution's adoption or its last renewal.

(k) Variation of class rights

At present, the Company's only class of shares on issue is ordinary shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:

- (i) with the consent in writing of the holders of three-quarters of the issued shares included in that class; or
- (ii) by a special resolution passed at a separate meeting of the holders of those shares.

In either case, in accordance with the Corporations Act, the holders of not less than 10% of the votes in the class of shares, the rights of which have been varied or cancelled, may apply to a court of competent jurisdiction to exercise its discretion to set aside such a variation or cancellation.

(l) Directors – appointment and removal

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum may not be more than 9. Directors are elected at general meetings of the Company.

The Directors may appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until the next annual general meeting of the Company.

Retirement will occur on a rotational basis so that any Director who has held office for three or more years or three or more annual general meetings (excluding any Managing Director) retires at each annual general meeting of the Company.

(m) Directors – voting

Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the Chair of the meeting has a casting vote.

(n) Directors – remuneration

The Directors, other than the executive Directors, shall be paid by way of fees for services, with the maximum aggregate sum approved from time to time by the Company in a general meeting or, until so determined, as the Board determines. The current maximum aggregate sum approved by the Board is \$400,000. Any change to that maximum aggregate sum needs to be approved by Shareholders. The Constitution also makes provision for the Company to pay all reasonable expenses incurred by Directors in attending meetings or otherwise in connection with the business of the Company. Subject to the Corporations Act and the Constitution, remuneration of executive Directors shall be the amount that the Board decides.

08. ASX listing rules

(o) Directors – powers and duties

The Directors have the power to manage the business of the Company and may exercise all powers which are not expressly required by law, the ASX Listing Rules or the Constitution to be exercised by the Company in a general meeting.

(p) Indemnities

The Company, to the extent permitted by law, indemnifies each of its Directors, Principal Executive Officers and Secretaries (past and present) against any liability incurred by that person as an Officer of the Company or one of its Subsidiaries and certain legal costs incurred by that person. The Company, to the extent permitted by law, may make a payment (whether by way of an advance, loan or otherwise) to a Director in respect of legal costs incurred by that person in defending an action for a liability of that person.

The Company, to the extent permitted by law, may pay, or agree to pay, a premium for a contract insuring an Officer of the Company or its Subsidiaries against any liability incurred by such person as an Officer of the Company or its Subsidiaries and certain legal costs incurred by that person.

The Company, to the extent permitted by law, may enter into an agreement or deed with a Director or a person who is, or has been, an Officer of the Company or its Subsidiaries, under which the Company must do all or any of the following:

- (i) keep books of the Company and allow either or both that person and that person's advisers access to those books on the terms agreed;
- (ii) indemnify that person against any liability and certain legal costs incurred by that person (on a solicitor-and-client basis);
- (iii) make a payment (whether by way of advance, loan or otherwise) to that person in respect of certain legal costs incurred by that person (on a solicitor-and-client basis); and
- (iv) keep that person insured in respect of any act or omission by that person while an Officer of the Company or a Subsidiary of the Company, on the terms agreed (including as to payment of all or part of the premium for the contract of insurance).

(q) Amendment

The Constitution can only be amended by special resolution passed by at least three-quarters of the votes cast by Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company.



09.

Investigating accountant's report

Investigating accountants report

09.

HALLCHADWICK 
Corporate Finance & Advisory Services

13 June 2017

The Directors
Mobecom Limited
Level 2, 66 Hunter Street
SYDNEY NSW 2000

Dear Sirs,

Independent Limited Assurance Report on Historical and Pro-forma Consolidated Financial Information

We have been engaged by Mobecom Limited ("Mobecom" or "the Company") (formerly Waratah Resources Limited) to report on the historical and pro forma consolidated historical financial information for inclusion in the Prospectus relating to proposed issue of shares in the Company to raise between \$5 million and \$9 million before the costs of the issue (the "Offer").

Expressions and capitalised terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services License (No. 227902) under the *Corporations Act 2001*. Hall Chadwick Corporate (NSW) Limited holds the appropriate Australian Financial Services License under the *Corporations Act 2001*.

Background

The Company is listed on the Australian Securities Exchange ("ASX") and is in the process of completing the acquisition of CSB Engage Pte Ltd ("CSB").

CSB is a global mobile and cloud technology solutions provider based in Singapore.

Scope

Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the following historical financial information of the Company and CSB:

- a) the historical statements of financial performance of the Company and CSB for the financial years ended 30 June 2014 ("FY2014"), 30 June 2015 ("FY2015") and 30 June 2016 ("FY2016") and for the six month period ended 31 December 2016 ("HY2017");
- b) the historical statements of cash flows of the Company and CSB for FY2014, FY2015, FY2016 and HY2017;
- c) the historical consolidated statements of financial position of the Company and CSB as at 31 December 2016.

Pro forma Consolidated Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the following pro forma consolidated historical financial information of the Company:

- a) the pro forma consolidated statement of financial position of the Company as at 31 December 2016 assuming the acquisition of CSB and completion of the Offer.

HALL CHADWICK CORPORATE
(NSW) LIMITED

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SYDNEY

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www.hallchadwick.com.au



09. Investigating accountant's report



The financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles detailed in Australian Accounting Standards and the adopted accounting policies of the Company.

The historical financial information of the Company has been subject to an annual audit by DFK Laurence Varney for FY2014 and FY2015, and HLB Mann Judd Assurance (NSW) Pty Ltd for FY2016. The historical financial information of the Company for HY2017 has been subject to a half year review by HLB Mann Judd Assurance (NSW) Pty Ltd. The Auditors Reports contained an emphasis of matter regarding the going concern of the Company due to the losses incurred and a deficiency in net assets.

The financial information of CSB has been prepared in for the form of special purpose financial statements in accordance with Australian Accounting Standards and Singapore Financial Reporting Standards. The historical financial information of CSB has been subject to an audit for FY2014 and FY2015 by CA Trust Pac Chartered Accountants Singapore and an audit for FY2016 and half year review for HY2017 by HLB Mann Judd Assurance (NSW) Pty Ltd. The HY2017 Auditors Review Report contained an emphasis of matter regarding the going concern of the Company due to the losses incurred and a deficiency in net assets.

The financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

The stated basis of preparation is the recognition and measurement accounting principles applied to the financial information and the transactions to which the pro forma adjustments relate, as described in the Prospectus, as if those transactions had occurred as at the date, or prior to the date, of the financial information. Due to its nature, the pro forma consolidated historical financial information does not represent the company's actual or prospective financial position.

Directors' responsibility

The directors of the Company and CSB are responsible for the preparation of the historical and pro forma consolidated historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of pro forma consolidated historical financial information that is free from material misstatement whether due to fraud or error.

Our responsibility

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

09. Investigating accountant's report



A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we have become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in the Prospectus.

Pro forma consolidated historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma consolidated historical financial information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial information to which it relates, for any purpose other than that for which it was prepared.

Consent

Hall Chadwick Corporate (NSW) Limited has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Disclosure of Interest

Hall Chadwick Corporate (NSW) Limited does not have any interest in the outcome of the Prospectus other than the issue of this report for which normal professional fees will be received. Hall Chadwick Corporate (NSW) Limited does not hold nor have any interest in the ordinary shares of the Company. Hall Chadwick Corporate (NSW) Limited was not involved in the preparation of any part of the Prospectus and accordingly, makes no representations or warranties as to the completeness and accuracy of any information contained in the Prospectus.

Yours faithfully

David Kenney
HALL CHADWICK CORPORATE (NSW) LIMITED

09. Investigating accountant's report



FINANCIAL SERVICES GUIDE

Dated 13 June 2017

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 ("HCC").

This FSG includes information about:

- HCC and how they can be contacted;
- the services HCC is authorised to provide;
- how HCC are paid;
- any relevant associations or relationships of HCC;
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Investigating Accountant's Report ("Report") which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product. The contents of the disclosure document, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that HCC is authorised to provide

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you

HCC has been engaged by the Directors of Mobecom Limited to prepare this Report for inclusion in a Prospectus in relation to the initial public offering of shares in Mobecom Limited on the ASX ("Offer").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Prospectus. HCC nor the employees of HCC are acting for any person other than Mobecom Limited. HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General advice

As HCC has been engaged by Mobecom Limited, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees HCC may receive

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, Mobecom Limited. Fees are agreed on either a fixed fee or a time cost basis. In this instance, Mobecom Limited has agreed to pay HCC \$20,000 (excluding GST and out of pocket expenses) for preparing the Report on Historical and Pro forma Consolidated Historical Financial Information to be included in the Prospectus. HCC and its officers,

09. Investigating accountant's report



representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive remuneration from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership). Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report. Further details may be provided on request.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr David Kenney and Mr Drew Townsend, directors of HCC and partners in the Hall Chadwick Sydney Partnership, have prepared this Report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities ("HC Entities") may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. HC Entities have previously provided advisory services to both the Company and CSB for which professional fees have been received.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of Mobecom Limited or has other material financial interests in the Offer.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:

The Complaints Officer
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Drew Townsend, on (02) 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If HCC cannot resolve the complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Financial Ombudsman Service Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 78 08 06
Facsimile (03) 9613 6399
Email: info@fos.org.au

09. Investigating accountant's report



The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact details

You may contact HCC at:

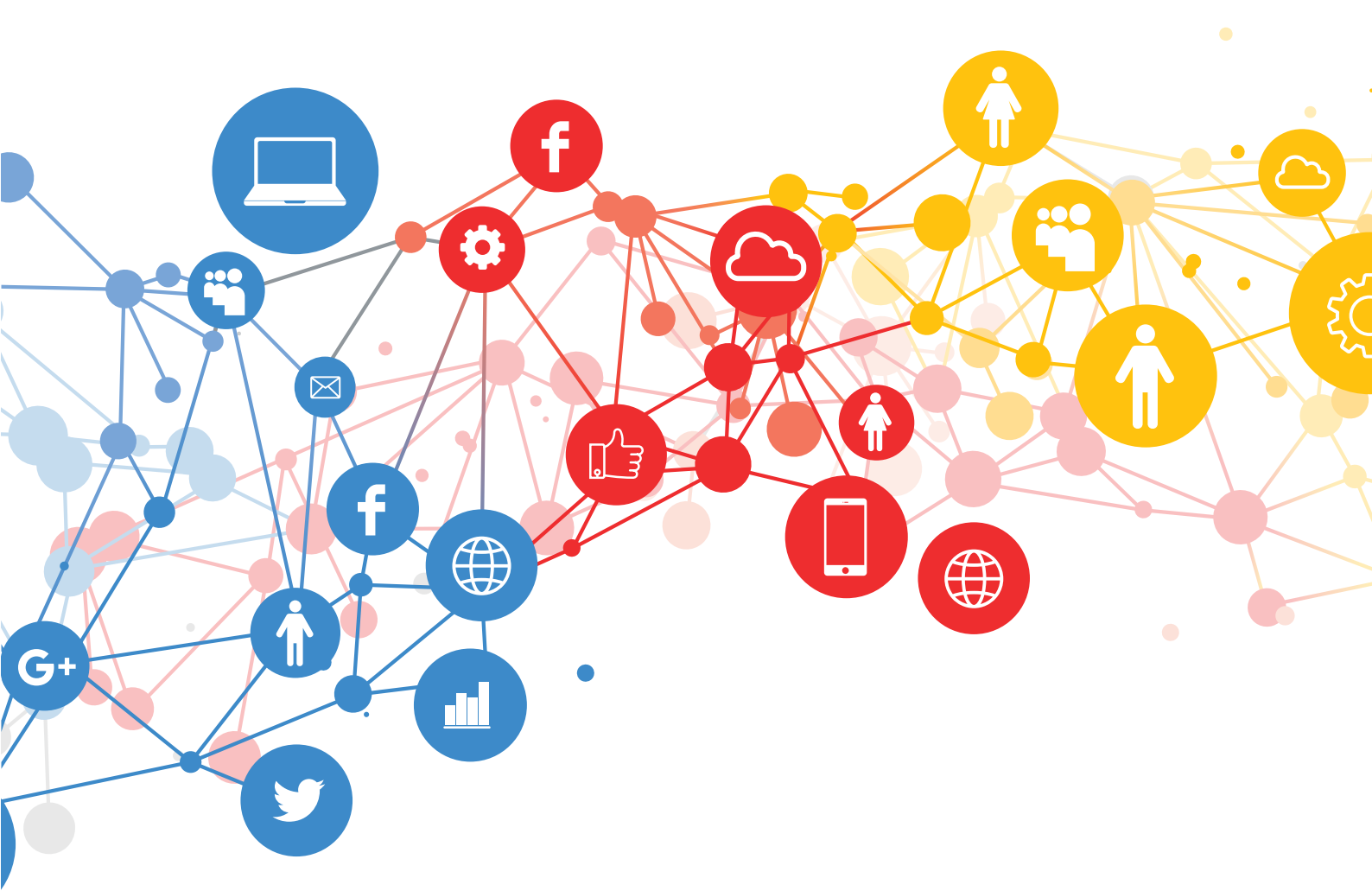
Hall Chadwick Corporate (NSW) Limited

GPO Box 3555

Sydney NSW 2001

Telephone: (02) 9263 2600

Facsimile: (02) 9263 2800



10.

Additional information

Additional information

10.

10.1 Registration

The Company was registered in Western Australia, Australia, on 30 May 2007.

10.2 Company tax status and financial year

The Company is and will be subject to tax at the Australian corporate tax rate.

The Company's financial year ends on 30 June annually.

10.3 Material contracts

The Directors consider that there are a number of contracts which are significant or material to the Company or are of such a nature that an investor may wish to have details of them when making an assessment of whether to apply for Shares. The main provisions of these contracts are summarised below, or elsewhere in this Prospectus. These summaries are included for the information of potential investors in the Offers but do not purport to be complete and are qualified by the text of the contracts themselves.

(a) Share Sale Agreement

On 18 November 2016, the Company, CSB Engage and the CSB Engage Vendors entered into a Share Sale Agreement pursuant to which the Company has agreed to acquire 100% of the issued shares in CSB Engage. The terms of the Share Sale Agreement were varied by the parties on 8 June 2017 to account for certain arrangements agreed by the parties.

As consideration for the acquisition of CSB Engage by the Company, the Company shall issue the CSB Engage Vendors 112,451,788 Shares in the proportions set out below, such Shares to be issued and allotted immediately following Completion and subject to all shareholder and other regulatory approvals being obtained:

Name of Seller	Name of other parties	Number of fully paid ordinary shares in CSB Engage held*	Seller's proportionate shareholding in CSB Engage*	Shares to be issued
Christopher George Joseph	-	15,512,767	8.79%	9,669,763
William Patrick Pitcher	-	9,757,057	5.53%	6,081,986
Ivor Clucas	-	1,552,795	0.88%	967,923
Sage Justin John	-	1,552,795	0.88%	967,923
Ian Keith Barnard	-	1,242,236	0.70%	774,338
Onyx Services Ltd	-	2,669,230	1.51%	1,663,844
Hotazel Holdings Pty Ltd	-	42,760,072	24.23%	27,358,272
Andrew Galea Nominees Pty Ltd	-	1,166,956	0.66%	727,413
Tom Williams Nominees Pty Ltd	-	1,166,957	0.66%	727,414
Anthony Ashe Nominees Pty Ltd	-	1,166,957	0.66%	727,414
Bent Pty Limited	-	1,060,000	0.60%	660,743
Kulmar, Stephen Gary	-	1,060,000	0.60%	660,743
Lomacott Pty Ltd	-	3,035,714	1.72%	1,892,289
Hilton Pty Ltd	-	428,571	0.24%	267,146

10. Additional information

Name of Seller	Name of other parties	Number of fully paid ordinary shares in CSB Engage held*	Seller's proportionate shareholding in CSB Engage*	Shares to be issued
Lawrance, Christopher Lister	-	30,757,461	17.43%	19,172,424
Greer, Phillip William	-	428,571	0.24%	267,146
Mypersuall Pty Ltd	-	991,071	0.56%	617,776
Rangelodge Pty Ltd	-	1,000,000	0.57%	623,342
Pamela Van Zyl No. 2 Superannuation Fund	-	4,121,402	2.34%	2,569,044
Debra Susan Haworth	-	562,500	0.32%	350,630
Blazzed Pty Ltd	-	840,706	0.48%	524,048
Sean Robert Smith	-	5,619,693	3.18%	3,502,992
Omphaloskepsis Pty Ltd	-	706,522	0.40%	440,405
Hamilton Nicholas Alexander	-	1,250,000	0.71%	779,178
Slack Grant Ivan	-	400,000	0.23%	249,337
Mark Neal Barnard	-	1,875,000	1.06%	1,168,767
Neil Joseph	-	666,667	0.38%	415,562
Shannon R Cullum	-	933,333	0.53%	581,786
Kevin Peter Geeves	-	250,000	0.14%	155,836
Roderic Noel Anthony Sage	-	666,667	0.38%	415,562
Rajnish Sarna	-	200,000	0.11%	124,668
Mayank Singhal	-	466,667	0.26%	290,893
Christopher Foster	-	874,000	0.50%	544,801
Scott James Duncan	-	1,055,901	0.60%	658,188
Helen Joseph	-	742,718	0.42%	462,968
Craig Badings	-	74,269	0.04%	46,295
Aubrey Sonnenberg	-	20,009,862	11.34%	12,472,992
Roy Sugarman	-	3,051,844	1.73%	1,902,343
Jennifer-Anne Joseph	-	564,469	0.32%	351,857
-	Tulla	14,227,642^	8.06%	9,065,737
-	Rod Walker			1,000,000
-	Frederick Kempson			50,000
-	Mark Barnard			500,000
Total:		176,468,072	100.00%	112,451,788

*On a fully converted basis, assuming Tulla's Convertible Loan Notes have been converted into Company Shares.

^Equivalent number of shares Tulla would hold in CSB Engage if the Convertible Loan Notes were converted into CSB Engage shares.

10. Additional information

101,836,051 Shares will be issued to the CSB Engage Vendors as set out above, and the remainder will be issued at their direction, as follows:

- (i) 9,065,737 Shares to Tulla, as the Share Sale Agreement provides for CSB Engage to cancel, cause to terminate or lapse all convertible equity held by any relevant holders in CSB Engage. This obligation will be satisfied by the Company issuing Shares to Tulla, as described further in Section 10.4 below;
- (ii) 1,000,000 Shares to Rod Walker in satisfaction of contractual obligations agreed to by CSB Engage relating to securing Rod Walker's services. In order to secure the services of Rod Walker as a director of the Company going forward, the CSB Engage Vendors agreed that Rod Walker would be entitled to 1,000,000 Shares on completion of the Proposed Transaction. This direction by the CSB Engage Vendors dilutes the interest of each Seller in the Company to the extent that a part of the Consideration Shares is to be issued to Rod Walker;
- (iii) 50,000 Shares to Frederick Kempson as a gift from the CSB Engage Vendors; and
- (iv) 500,000 Shares to Mark Barnard in satisfaction of CSB Engage's obligation under a loan to CSB Engage by Mark Barnard.

In addition to the Consideration Shares:

- (i) certain performance rights shall be issued to CSB Engage Vendors, which will be satisfied by the issue of 5,700,000 Options under the Performance Offer; and
- (ii) up to 8,758,000 Shares shall be issued by the Company to CSB Engage Vendors under an employee share plan, which may be satisfied by a potential additional issue of Options under the Incentive Option Plan.

Completion of the Proposed Acquisition is dependent on certain conditions being satisfied, on or before 31 July 2017:

- (i) the Company seeking the approval of its members for a change in nature and scale of activities in accordance with the ASX Listing Rules, and the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules for the purposes of re-admission of the Company's Shares to the Official List once member approval has been granted for the change in nature and scale of the Company's activities;
- (ii) pursuant to this Prospectus issued in connection with the Company's application for re-admission in accordance with Chapters 1 and 2 of the ASX Listing Rules, the Company successfully undertaking a capital raising for the Minimum Subscription Amount;
- (iii) there being no material breach of the warranties provided by CSB Engage or the Company;
- (iv) an independent expert report obtained by the Company concluding that the Proposed Acquisition is reasonable to the shareholders of the Company; and
- (v) each of Neil Joseph, Sean Smith, Chris Joseph and Aubrey Sonnenberg executing an employment contract with CSB Engage,

(together the **Transaction Conditions**).

The Share Sale Agreement may be terminated by any party to it if, among other things, the Transaction Conditions are not satisfied or waived by 31 July 2017.

At or prior to Completion, or at such other time as is agreed between CSB Engage and the Company, the Exploration Assets and Applications and the mining information associated with such assets shall be transferred or sold to a third party.

The Share Sale Agreement is governed by the laws of New South Wales, Australia.

10. Additional information

(b) Tulla Convertible notes

CSB Engage has certain obligations under the Convertible Equity issued to Tulla.

The rights of Tulla under three convertible note loan agreements between CSB Engage and Tulla are, in summary, as follows:

Number of notes held by Tulla	3 Convertible Loan Notes
Aggregate face value of notes held by Tulla	\$1,400,000
Interest rate applicable	6% per annum calculated on a calendar quarterly basis, in arrears
Redemption date	31 August 2017
Amount outstanding under the notes	\$1,400,000
Rate of conversion	\$0.0984 per share.

The Company, CSB Engage and Tulla have agreed that, the Company will issue Tulla 9,065,737 Shares as part of completion of the Proposed Acquisition, in consideration of Tulla discharging any interest it has under the Convertible Equity issued to it by CSB Engage and releasing CSB Engage from any further liability on terms reasonably acceptable to the Company.

10. Additional information

(c) Other Convertible Notes

2,300 Convertible Notes have been issued to the noteholders listed in the table below.

The terms of the convertible note loan agreements between CSB Engage and the Noteholders are, in summary, as follows:

NUMBER OF NOTES HELD BY EACH OF THE FOLLOWING NOTEHOLDERS:	
Kempson Capital Pty Ltd:	1,000
Sir Warwick Andrew:	650
Neil Herbert:	650
AGGREGATE FACE VALUE OF NOTES HELD BY EACH OF THE FOLLOWING NOTEHOLDERS:	
Number of notes held by each of the following noteholders:	
Kempson Capital Pty Ltd:	\$100,000
Sir Warwick Andrew:	\$65,000
Neil Herbert:	\$65,000
Aggregate face value of notes held by each of the following noteholders:	
Face value of each note	\$100
Interest rate applicable	No interest is payable for the first 4 months from the date of issue, after which an interest rate of 8% per annum applies. Accrued interest must be paid quarterly in arrears.
Maturity date	18 months from the date of issue
Rate of conversion	\$0.20 per share.

10. Additional information

(d) Promoter Mandate

The Company has appointed PAC Partners Pty Ltd as the Promoter to the Investor Offer. The Promoter has been engaged on an exclusive basis to provide services and assistance in connection with structuring, marketing and execution of the Investor Offer, and the Company and Promoter have entered into a mandate, dated 1 April 2016 (**Promoter's Mandate**).

As consideration for the services provided by the Promoter under the Promoter's Mandate, the Company has agreed to pay the following professional fees to the Promoter:

- (i) 6% of the amount raised as part of the Investor Offer, in summary as follows:

If the minimum amount of \$5 million is raised at the Investor Offer	If the maximum amount of \$9 million is raised at the Investor Offer
\$300,000	\$540,000

An advisory fee structured as a monthly advisory retainer, to be paid to the Promoter as follows:

- (A) 50% cash, which shall be paid from the proceeds of the Investor Offer; and
(B) 50% Shares, with the Shares to be issued at completion of the Investor Offer.

The total aggregate advisory fee payable to the Promoter is \$150,000. The Company has already made cash payments of \$20,000 plus GST to the Promoter. Therefore, a further cash payment of \$55,000 remains to be paid as well as a further \$75,000 to be paid by way of scrip to be issued at completion, being in total 297,619 Shares; and

- (iii) Options for further Shares in the Company to be issued at the financial close of the Investor Offer. The Company has agreed to allocate to the Promoter (to be distributed to brokers), a certain number of options (which will convert into Shares on a 1:1 basis), equal to 3% of the market capitalisation of the Company following the completion of the Investor Offer, as set out in the table below. The options will be exercisable at a price which is 30% higher than the price of the Investor Offer, and will lapse on the expiry of 3 years from the date on which they are issued.

If the minimum amount of \$5 million is raised at the Investor Offer	If the maximum amount of \$9 million is raised at the Investor Offer
4,963,817	5,563,817

Following completion of the Investor Offer, the Company shall pay the Promoter a fee of \$60,000 (plus GST). In turn, the Promoter shall pay Tulla \$60,000 for assistance provided by Tulla to the Promoter with the Investor Offer.

The Promoter Offer Shares consist of the securities set out in Sections 10.3(d)(ii) and 10.3(d)(iii) above.

The Promoter may terminate the Promoter Mandate if the Company does not remedy a breach of the Promoter Mandate within 14 days' written notice, and in the event of such termination, the Company shall pay the retainer and expenses accrued in the period up to termination.

The Company may terminate the Promoter Mandate with 7 days' notice if the Promoter is grossly negligent, fraudulent or commits wilful misconduct (**Cause**) and, in the event of such termination, the Company shall pay the retainer and expenses accrued in the period up to termination. If the Promoter Mandate is terminated by the Company for a reason other than Cause, the Company shall pay all outstanding costs, expenses and fees owed to the Promoter.

10. Additional information

(e) Neil Joseph–Loan Agreement

Neil Joseph entered into an agreement with Endless Rewards Pty Ltd (now known as Mobecom (Australia) Pty Ltd), dated 1 July 2014 (**Joseph Loan Agreement**).

Under the Joseph Loan Agreement, Neil Joseph advanced Mobecom Australia \$300,000 as an unsecured loan, with the loan subject to an interest rate of 0.6% per annum. The repayment due date was 31 December 2015 or as otherwise agreed.

Neil Joseph may serve a conversion notice requiring conversion of the loan into fully paid ordinary shares of Mobecom Australia, calculated on a pre-money valuation of Mobecom Australia and its associated/affiliated entities for an amount of USD 7,000,000, equating to around 2.0% of the ordinary shares of Mobecom Australia.

The total amount outstanding under the Joseph Loan Agreement is currently \$381,541. While Mobecom Australia is currently in default under the Joseph Loan Agreement, Neil Joseph has confirmed that he does not intend to require repayment until completion of the Proposed Transaction and re-admission of the Company to the Official List.

(f) Mark Barnard – Loan Agreement

Mark Barnard entered into an agreement with Neil Joseph and Christopher Joseph, dated 1 December 2014 (**Barnard Agreement**).

Under the Barnard Agreement, Mark Barnard has advanced Neil and Chris Joseph USD100,000 as an unsecured loan, with the loan subject to an interest rate of 7% per annum. The repayment due date was 31 December 2015. Chris Joseph subsequently on-lent the funds to CSB Engage.

Upon default, Mark Barnard may serve a conversion notice requiring conversion of the loan into fully paid ordinary shares of CSB Engage, calculated on a pre-money valuation of CSB Engage and its associated/affiliated entities for an amount of USD30,000,000, equating to around 0.33% of the ordinary shares of CSB Engage.

While Neil and Christopher Joseph are currently in default under the Barnard Agreement, Mark Barnard has subsequently agreed to accept 500,000 Shares in full and final satisfaction of CSB Engage's obligations under the Barnard Agreement.

(g) Four Elements PCC–Peak XV Venture Fund Loan arrangements

The Four Elements PCC – Peak XV Venture Fund (a Protected Cell Company under the laws of Mauritius company number 79540/C1/GBL) (**Four Elements**) and CSB Engage entered into a number of agreements on 24 April 2014 pursuant to which, among other things, Four Elements agreed to provide up to US\$500,000 to CSB Engage by way of a convertible loan (**Four Elements Agreements**).

In accordance with the terms of the Four Elements Agreements, the outstanding loan amount was to be repaid by CSB Engage by 31 March 2017, but the relevant amount has not as yet been repaid. The repayment has not occurred for a number of reasons, including:

- (i) the Four Elements PCC is in liquidation, and until recently CSB Engage had been unable to definitively identify the relevant entity that legally represents the Peak XV Venture Fund; and
- (ii) CSB Engage had previously tried to negotiate an extension of the repayment date to coincide with completion of the Proposed Transactions (so that it may repay the outstanding amount from funds raised under the Investor Offer (as contemplated in Section 7.2)), but had been unsuccessful, including due to not having been unable to identify the relevant entity that legally represents the Peak XV Venture Fund (until recently).

The current outstanding liability of CSB Engage under the Four Elements Agreements is approximately \$930,000.

The interest prior to repayment due date of 31 March 2017 is calculated at 1% per calendar month. Four Elements also has the right to convert the loan amount into fully paid shares in CSB Engage, equating to approximately 6.67% to the total issued ordinary shares in CSB Engage at the time of conversion. Further, in the event of default by CSB Engage, the conversion rate increases to approximately 13.34% of the total issued ordinary shares in CSB Engage.

10. Additional information

CSB Engage received a notification on 15 March 2017 from MBMG Capital Partners (a purported agent for Four Elements), alleging that CSB Engage was in breach of the Four Elements Agreements (for having failed to provide certain information required under the Four Elements Agreements). CSB Engage believes that MBMG Capital do not have the right to represent Four Elements (in liquidation). CSB Engage has obtained legal advice in Mauritius. Further, the liquidator of Four Elements has been contacted (but has not yet replied) to ascertain the repayment process. The Company intends to repay the Four Elements loan from funds raised under the Offers.

(h) Cashflow Access Pty Ltd Debt Factoring Agreement

Cashflow Access Pty Ltd (**Cashflow**) and CSB Engage entered into a Debt Factoring Facility Deed on 17 March 2017. The deed allows CSB Engage to sell debt to Cashflow by delivering an invoice for debt to Cashflow and specifying the factoring period.

During the first thirty day period from the date of the debt arising, the debt amount accrues a factoring fee of 2.7% of the debt amount for each debt. After thirty days has passed, an extended factoring debt fee applies of 0.9% per day. After 90 days has passed the debt amount must be repurchased by CSB Engage.

If Cashflow have purchased debts from CSB Engage for three consecutive months then CSB Engage must offer, in the fourth month and for each month afterwards, to sell debts to Cashflow which have a combined value of not less than 50% of the average debts factored by CSB Engage for the previous three calendar months (**Minimum Factoring Amount**). If CSB Engage doesn't offer to sell debts to the value of the Minimum Factoring Amount in any month, CSB Engage must, on demand, pay to Cashflow the minimum factoring fee for that month, therefore it is a take or pay arrangement. Both Neil Joseph and CSB Engage have additionally entered into a deed of general security with Cashflow Access Pty Ltd.

The deed states that CSB Engage and Neil Joseph grant a security interest over all collateral to Cashflow as security for payment of all money owed by CSB Engage or Neil to Cashflow, now or in the future.

Neil Joseph also provided a personal guarantee for money relating to the Debt Factoring Facility Deed and any outstanding payment in relation to CSB Engage.

Collaboration or Strategic Partnership Agreements:

(i) Ogilvy & Mather (HK) Pvt Ltd – Collaboration Agreement

Ogilvy & Mather (HK) Pvt Ltd (**Ogilvy**) has entered into a collaboration agreement with Endless Rewards Pte Ltd, dated 1 May 2013, with the following key terms:

- the term of the agreement is unspecified and it continues indefinitely until termination;
- Endless Rewards Pte Ltd will undertake loyalty and CRM platform development, including database management, data and technology strategy, reporting and analytics, for Ogilvy;
- Endless Rewards Pte Ltd shall be paid a set-up fee, monthly management fee and performance, retainer and licence fees, and Ogilvy may charge clients who use the platform additional fees; the duration and amount of these fees have not been specified;
- Ogilvy is to promote the platform developed by Endless Rewards Pte Ltd to existing and new Ogilvy clients, and will resource and train Ogilvy staff for that purpose; and
- the agreement may be terminated immediately if a party has breached the agreement and fails to rectify that breach within 30 days, and may be terminated for convenience on 60 days' notice.

10. Additional information

(j) Electronicline Services (Pty) Ltd – SPV and Master Teaming Agreement

CSB Engage SA (Pty) Ltd has entered into an agreement with Electronicline Services (Pty) Ltd, dated 8 February 2017 (**Electronicline Agreement**), with the following key terms:

- the term of the Electronicline Agreement is unspecified;
- the parties shall incorporate a special purpose vehicle company (**SPV**), which shall be jointly owned, and which will submit proposals to clients identified in the agreement as well as developing loyalty and CRM solutions;
- the parties may identify potential clients, and, if the client accepts the SPV's proposal for services, may contract with clients for a specific project through the SPV;
- a party are not obliged to participate in the provision of services to a client, and may notify the other party that they do not wish to participate (not less than 5 days prior to the submission of the proposal to the client);
- the parties shall execute a service level agreement for each project, and shall split the fees for such projects, as contained in the relevant service level agreement; and
- the Electronicline Agreement may be terminated for breach with 21 days' notice or for convenience with 90 days' notice.

(k) Heads of Agreement – Network for Electronic Transfers (Singapore) Pte Ltd

CSB Engage Pte Ltd and Network for Electronic Transfers (Singapore) Pte Ltd (**NETS**) have entered into a non-binding Heads of Agreement, dated 5 April 2017, with the following key terms:

- the term of the agreement is unspecified;
- NETS issues payment cards and has a network of POS systems in Singapore;
- CSB Engage Pte Ltd shall provide NETS with the airBux platform for integration of the Airbux platform into the NETS POS terminal network and system;
- the parties shall approach potential partners, who may agree to allow their loyalty members to convert their currency to airBux, and to approach brand owners who may wish to utilise AirBux;
 - » CSB Engage shall pay NETS a royalty sharing fee as a result of the use of AirBux on NETS' POS network and system; and
 - » the transactions contained in the Heads of Agreement are subject to the execution of a further agreement in a mutually acceptable form.

Agreements with Service Providers to CSB Group

(l) Doshii Pty Ltd–Agreement

Doshii Pty Ltd has entered into an agreement with Onit Media Pty Ltd, dated 2 February 2017, with the following key terms:

- Doshii provides a "Doshii API" to Onit Media Pty Ltd that can be used to connect a partner app or platform to various POS terminals, the Doshii API varying depending on the intended use (eg: Doshii APIs include loyalty, reservations and ordering modules); and
- Onit Media Pty Ltd will pay Doshii a fee per channel (ie: per type of POS) per venue, per month

Services have not yet been provided by Doshii to Onit Media Pty Ltd under this agreement, but it is anticipated that they will be provided in respect of the Muulla and airBux platforms.

10. Additional information

Customer Agreements:

(m) BigCat Green Island Reef Cruises – Tourism Operator Agreement

CSB Engage Pty Ltd has entered into an agreement with BigCat Green Island Reef Cruises (**BigCat**), dated 12 July 2017, with the following key terms:

- term of 2 April 2017 to 31 March 2018, which shall be automatically renewed for subsequent terms of one month until terminated;
- BigCat shall utilise the airBux platform and shall pay 10% of the gross purchase price of the goods and services purchased by an airBux loyalty card holder from BigCat to CSB Engage Pty Ltd, which shall be calculated and paid on a monthly basis;
- CSB Engage Pty Ltd shall provide operational support to BigCat (at CSB Engage Pty Ltd's discretion), including training, marketing materials, and where applicable, the supply and installation of AirBux compliant hardware; and
- BigCat has agreed that it shall not use any system that is directly competitive to the airBux platform.

(n) Cellfind (Pty) Ltd – Binding Memorandum of Understanding

Cellfind (Pty) Ltd (**Cellfind**), a subsidiary of Blue Label Telecoms Ltd and a provider of mobile messaging and financial services in South Africa, has entered into a binding Memorandum of Understanding (**MoU**) with CSB Engage (SA) Pty Ltd, dated September 2016, with the following key terms:

- the term of the MoU is 3 years, commencing on September 30 2016;
- Cellfind has engaged CSB Engage (SA) Pty Ltd to develop product(s) based on the AirBux platform and AirBux branded, and to integrate the AirBux rewards program and currency into the IMailMate product to be launched by Cellfind and its holding company, Blue Label Telecoms, in Africa;
- the MoU is intended to describe the relationship between the parties during the product development stage only, and a formal Deed of Arrangement may be entered into;
- fees shall be agreed on a deal by deal basis and where a project requires, a base monthly licence fee may be negotiated, based on an agreed minimum guaranteed user enrolment amount; and
- the MoU may be terminated for convenience with 6 months' written notice.

(o) Lifecycle Digital Australia Pty Ltd – Supply and Services Agreement

Mobecom (Australia) Pty Ltd and Lifecycle Digital Australia Pty Ltd (**Lifecycle**) have entered into a Supply and Services Agreement, dated 18 May 2017, with the following key terms:

- the agreement will be for a two year initial term, and will continue to run after the initial term until terminated;
- Mobecom (Australia) Pty Ltd has agreed to supply the following services to Lifecycle during the initial term and any subsequent period:
 - » provide and set up a CRM customer loyalty platform, assist with data migration, and provide training, hardware, software and technical documentation;
 - » provide member data, product data and metadata of Lifecycle customers, collected by the CRM platform to Lifecycle; and
 - » provide second level support to Lifecycle (as agreed from time to time);

10. Additional information

- the CRM platform will be rebranded as Lifecycle products and sold by Lifecycle (or its related bodies corporate) to Lifecycle customers, and support services will also be provided by Mobecom (Australia) Pty Ltd to Lifecycle customers under the Lifecycle name;
- Mobecom (Australia) Pty Ltd retains ownership of the CRM platform, but Lifecycle owns all customer data and intellectual property rights in such data;
- Mobecom (Australia) Pty Ltd shall be entitled to a one-off licence fee, one-off set up fee, monthly management fee and monthly product fee in consideration for the products and services provided; and
- the agreement may be terminated with 6 months' notice from either party following the expiry of the initial term.

(p) Pricing Overview–Octopus Group (Cellarbrations)

This overview, dated 29 March 2016, is between CSB Engage and Octopus Group (trading as Cellarbrations). No term is provided.

The overview contemplates:

- one off setup payments for online cart, CRM, campaign management, CMS, reporting and analytics, and a project management fee;
- a CSB incentive fee and external communications fees;
- a monthly licence fee; and
- programming integration fees.

(q) Agreement Regarding Implementation of Panarottis Advertising Digital CRM and Rewards Programme

CSB Engage SA (Pty) Ltd and Panarottis Advertising (Pty) Ltd (**Panarottis**) have entered into an Agreement Regarding Implementation of Panarottis Advertising digital CRM and Rewards Programme, dated 20 August 2015, with the following key terms:

- the agreement shall commence on 1 July 2015 for an initial term of 3 years and will continue thereafter unless terminated
- Panarottis operates 76 outlets in South Africa trading under the "Panarottis Pizza Pasta" brand (**Panarottis Business**), and has engaged CSB Engage SA (Pty) Ltd to provide digital CRM and loyalty services to the Panarottis Business;
- member data shall remain the property of Panarottis, and CSB Engage SA (Pty) Ltd may only utilise such information to operate the Panarottis rewards program; and
- fees payable by Panarottis to CSB Engage SA (Pty) Ltd under the agreement include the following:
 - » initial set up fee;
 - » integration fee; and
 - » monthly fees, determined on the number of stores which services are provided to, with a use fee agreed with an agreed price increase mechanism; and
- the agreement may be terminated by either party for convenience with 3 months' notice, or for breach with 7 days' notice.

10. Additional information

(r) Supplier Agreement – 8Z Pty Ltd (Mobile Embrace)

8Z Pty Ltd (**8Z**), a subsidiary of Mobile Embrace, has entered into a supplier agreement with LifeAlly International Pte Ltd, (renamed LifelQ Pte Ltd) dated 29 April 2014, with the following key terms:

- the agreement is for an initial term of 12 months;
- following the initial term, the agreement shall continue for further automatic terms of 12 months;
- 8Z is a telecommunications content provider, which holds an exclusive licence to distribute LifeAlly International Pte Ltd web content in Australia, Singapore and the USA (with other territories included on 90 days' notice from 8Z) for subscribers to access;
- under the agreement, LifeAlly International Pte Ltd grants permission for 8Z to market LifeAlly International Pte Ltd web content and sell the web content into 8Z and 8Z's affiliates' web pages, in keeping with their own brand;
- 8Z shall use commercially reasonable endeavours to promote content, provide billing mechanisms for content sale and receive and distribute revenue; and
- 8Z shall pay LifeAlly International Pte Ltd:
 - » a revenue share of the proceeds for each subscription successfully acquired by 8Z ;
 - » a revenue share for each subscription successfully acquired by LifeAlly or for each successful subscriber "challenge", being competitions which subscribers can participate in; and
 - » a share of gross revenue for physical purchases transacted by the subscriber through the software, less taxes, merchant costs and an administration fee; and
- the agreement may be terminated for convenience with 90 days' notice.

(s) Agreement Regarding the Build of the Website and Implementation of Jump Street Digital CRM Programme

CSB Engage Asia Pte Ltd has entered into an agreement with Jump Street Asia Pte Ltd (**Jump Street**), dated 28 February 2014, with the following key terms:

- the agreement is for an initial term of three years, commencing on 1 March 2014, with automatic renewal of the agreement upon expiry of the initial period;
- CSB Engage Asia Pte Ltd has been engaged by Jump Street to build and implement Jump Street's website and digital CRM programme, and to provide support services for the operation of the Jump Street CRM program;
- Jump Street is an entertainment park operator, operating multiple sites in Malaysia;
- Jump Street must pay a fee per month for the provision of a digital CRM program for up to 8 parks (with each additional park thereafter at an additional monthly cost);
- CSB Asia Pte Ltd shall make commercially reasonable efforts to make platform components available with a monthly uptime percentage of at least 99.5% during any monthly billing cycle; and
- the parties may terminate the agreement if a breach occurs and is not rectified within 7 days, or otherwise for convenience on 3 months' notice.

10. Additional information

(t) Agreement – Skye Group Pty Ltd

CSB Engage (Aus) Pty Ltd has entered into an agreement with Skye Group Pty Ltd, the owner of the Oshkosh retail chain (**Skye**), dated 6 June 2016, with the following key terms:

- the term of the agreement is 24 months from 15 March 2017 (Initial Term), and on expiry of the Initial Term shall automatically renew for successive 12 month periods, unless a party provides notice that it does not wish for an extension at least 90 days prior to expiry of the Initial Term or then current contract term;
- CSB Engage (Aus) Pty Ltd has been engaged to provide the Clique platform, email campaign management and customer relationship management services to Skye, including:
 - » loyalty and gift cards and loyalty physical card-based or digital membership transaction services;
 - » data reporting and analytics;
 - » campaign management and web terminal services, allowing rewards for purchases to be credited at point of sale; and
 - » training services;
- client data shall remain the property of Skye, and CSB Engage (Aus) Pty Ltd shall be granted a worldwide, non-exclusive, royalty free licence to use the client data for the sole purpose of providing the service in accordance with the agreement;
- Skye acknowledges that CSB Engage (Aus) Pty Ltd retains all intellectual property rights in the services and platform provided, and any documentation provided which describes or provides a manual for the use of the services or platform;
- Skye may terminate if CSB Engage (Aus) Pty Ltd fails to meet service level standards to such an extent that Skye's ability to use the service is materially disrupted, and may terminate for breach with 45 days' notice, but CSB Engage (Aus) Pty Ltd does not warrant that Skye's use of the services will be uninterrupted or error free;
- CSB Engage (Aus) Pty Ltd may terminate for breach with 7 days' notice; and
- Skye shall pay the following fees to CSB Engage (Aus) Pty Ltd:
 - » one-off establishment fee per store;
 - » weekly fee per store; and
 - » a transaction fee equal to a percentage of the value of the "earn" and "redeem" transactions on the loyalty cards in the stores, depending on the number of stores which the Clique platform is implemented in.

(u) CDE Heads of Agreement

LifeIQ Pty Ltd has entered into a heads of agreement with the Centre for Diabetes & Endocrinology (**CDE**), dated 7 November 2016, on the following key terms:

- the term of the agreement is 3 years, but is subject to a further definitive agreement being entered into;
- the proposal is for the provision of a customer engagement and wellness solution platform, to be integrated with CDE's existing program;
- fees payable by CDE to LifeIQ Pty Ltd are as follows:
 - » a deposit within 7 days from signing the heads of agreement (this is not stated to be refundable if the contemplated project does not proceed);
 - » a fee for an initial project workshop, including travel costs, with additional fees for configuration and pre-launch tasks, and
 - » a fee on completion of the platform.

10. Additional information

Other contracts entered into by the CSB Group are summarised below:

Customer	CSB Group Entity	Dated	Status	Term	Fee Structure	Key terms
U-Help Charity	Onit Media Pty Ltd	18 July 2016	Services currently being provided	1 July 2016 till 1 July 2019, with an option to extend for a further 12 months. Terminable for convenience with 90 days' notice.	<ul style="list-style-type: none"> Transaction fees charged on credit cards as a percentage of top up value on Muulla transactions plus a fee per top up; and application hosting fee per month, with a fee for additional data usage. 	Provision of Muulla mobile customer relationship management (CRM) solution
Chat Thai	Onit Media Pty Ltd	24 June 2015	Services currently being provided	Unspecified	<ul style="list-style-type: none"> Fee per month per location (minimum of 5 locations) for the Muulla adverts module; fee per voucher issued by the Muulla server; fee per month per location for Muulla mobile loyalty (minimum of 5 locations); and fee per store per month (minimum 5 stores) for the Clique loyalty module, plus module and transaction fees. 	Provision of Muulla and Clique CRM solutions
Yum Restaurants International (Thailand) co. Ltd (t/as KFC)	CSB Engage Asia Pte Ltd	25 January 2017	Services currently being provided	Term of 10 months, commencement date unspecified	Monthly service fee	<ul style="list-style-type: none"> Provide campaign management services; test KFC's current loyalty solution and recommend improvements; and implement a pilot technology program, anticipated to include the Clique and Muulla CRM solutions

10. Additional information

Customer	CSB Group Entity	Dated	Status	Term	Fee Structure	Key terms
HOTR Aus Pty Ltd (t/as Hooters)	Endless Rewards Pty Ltd (now Mobecom (Australia) Pty Ltd).	1 January 2016	Services currently being provided	1 January 2016 to 1 January 2018	Set-up fees and ongoing monthly fee for hosting and management.	Provision of a rewards program for Hooters.
Exclusive Books Group Pty Ltd	CSB Engage SA Pty Ltd	9 February 2017	Services currently being provided	1 February 2017 to 1 February 2018. Term shall be automatically extended for a further 12 month term unless terminated by either with 90 days' notice.	Services and hosting fees per month, per location	Provision of Muulla CRM solution
Pan Pacific Hotels & Resorts Pte Ltd	CSB Engage Asia Pte Ltd	11 November 2016	Services currently being provided	12 month term.	Set up fees and ongoing monthly fee for hosting and management.	Provision of Clique and Muulla CRM solutions.
Bristol-Myer Squibb	LifelQ Pty Ltd	23 May 2017	Services currently being provided	1 April 2017 to 31 March 2020.	One-off subscription fee.	Subscription to Work and Life Hub, including access for all Bristol-Myer Squibb employees.

LifelQ Pty Ltd acquired the business of Expect Australia Pty Ltd, trading as SeventeenHundred, on 2 September 2016. Expect Australia Pty Ltd is a company that provided white labelled staff diversity and engagement content and services to corporate businesses in Australia and New Zealand.

Under the business acquisition, LifelQ Pty Ltd assumed liabilities and obligations under certain of Expect Australia Pty Ltd's client contracts, as outlined below. However, these client contracts were not novated to LifelQ Pty Ltd, as a commercial decision was made at the time of the acquisition for LifelQ Pty Ltd to provide services under the existing contracts for the remainder of the contractual terms, at which point new contracts would be entered into between the client and LifelQ Pty Ltd.

In some circumstances, services have been provided to clients by LifelQ Pty Ltd on an ad hoc basis, without a formal agreement being executed, or after the term of a formal agreement has expired, as noted below.

10. Additional information

Customer	CSB Group Entity	Dated	Status	Term	Fee Structure	Key terms
Services being provided in absence of agreement						
Major Australian airline	Expect Australia Pty Ltd t./as Seventeen-Hundred	Not applicable	No agreement executed but services currently being provided	Airline may terminate for convenience	Annual fee for software and services.	3 year subscription to Work and Life Hub website portal, including access for all employees; and provision of company-specific information (information packs about health and wellness policies) to all employees through the Work and Life Hub website.
David Jones	Expect Australia Pty Ltd t./as Seventeen-Hundred	26 May 2014	Term expired but services currently being provided	David Jones may terminate for convenience	Monthly fee billed in advance for software and services	Parental support programme, provided through a David Jones branded online portal for employees
TAL	Expect Australia Pty Ltd t./as Seventeen-Hundred	23 February 2016	Term expired but services currently being provided	TAL may terminate for convenience	Monthly fees billed in advance for software and services	Subscription to Work and Life Hub, including access for all TAL employees.
Current agreement in place						
Tiger Air	Expect Australia Pty Ltd t./as Seventeen-Hundred	25 August 2016	Services currently being provided	1 October 2016 to 30 September 2017. Term shall be automatically extended for a further 12 month term unless terminated by Tiger with 60 days' notice.	Monthly fee billed in advance for software and services	subscription to Work and Life Hub website portal, including access for all employees; and uploading company-specific documents to the Work and Life Hub.
Holding Redlich	Expect Australia Pty Ltd t./as Seventeen-Hundred	27 February 2017	Services currently being provided	12 month term.	Monthly fees billed in advance for software and services	Subscription to Work and Life Hub website portal, including access for all Holding Redlich employees.

10. Additional information

10.4 Ownership restrictions

The sale and purchase of Shares in the Company is regulated by Australian laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section contains a general description of these laws.

(a) Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply.

The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company.

(b) Foreign Acquisitions and Takeovers Act 1975 (Cth)

Generally, the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) applies to acquisition of shares and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more un-associated foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A 'direct interest' is an interest of 10% in the entity but may also include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting.

An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without no objection notification or contravening a condition in a no objection notification.

10.5 Australian tax considerations

The comments in this Section provide a general outline of Australian tax issues for Australian tax resident Shareholders who acquire Shares under this Prospectus and that hold Shares in the Company on capital account for Australian income tax purposes.

This summary does not constitute financial product advice as defined in the Corporations Act. This summary is confined to Australian taxation issues and is only one of the matters which need to be considered by Shareholders before making a decision about an investment in the Shares.

Investors should note that tax laws are subject to ongoing change, and this section does not consider any changes in administrative practice or interpretation by the relevant tax authorities, or any changes in law by judicial decision or legislation following the Prospectus Date. To the extent that there are any changes in law after the Prospectus Date, including those having retrospective effect, Shareholders should consider the tax consequences, taking into account their own individual circumstances, and should consider taking advice from a professional advisor before making a decision about an investment to acquire Shares under this Prospectus.

The taxation implications of a subscription for Shares may be affected by the individual circumstances of each Shareholder, and it is recommended that Shareholders consult their own independent advisors regarding taxation consequences, including stamp duty, income tax and Australian goods and services tax consequences of the acquisition, ownership and disposal of Shares. This summary is general in nature and does not cover all income tax consequences that could apply in all circumstances of any Shareholder.

10. Additional information

The categories of Shareholders considered in this Section 10.5 are limited to individuals, companies (other than life insurance companies), trusts, partnerships and complying superannuation funds that hold their Shares on capital account, and it does not consider Shareholders that hold Shares on revenue account, carry on a business of trading in Shares, are exempt from Australian tax, foreign residents, insurance companies, banks or Shareholders who are subject to the Taxation of Financial Arrangements rules contained in Division 230 of the Income Tax Assessment Act 1997 (Cth). This Section 10.5 also assumes that each Shareholder (together with its associates) holds at all relevant times less than 10% of the Shares in the Company.

(a) Dividends–Australian tax resident individuals and complying superannuation entities

Where dividends on a Share are paid by the Company, those dividends should constitute assessable income of an Australian tax resident Shareholder.

Individuals or complying superannuation entities who are Australian tax resident Shareholders should include the dividend (together with any franking credits attached to that dividend) in their assessable income in the year the dividend is paid. Investors should note that the tax rate payable by each individual Australian resident Shareholder will depend on the circumstances of the Shareholder and their prevailing marginal rate of income tax.

Shareholders who are individuals or complying superannuation entities should be entitled to a 'tax offset' equal to the franking credits attached to the dividend, subject to being a 'qualified person', and the tax offset may be applied to reduce the tax payable on the Shareholder's taxable income with any excess franking credit refundable. If a dividend paid by the Company is unfranked, the Shareholder will generally be taxed at the Shareholder's marginal rate on the dividend received, with no tax offset.

(b) Dividends–Australian tax resident corporate Shareholders

Corporate Shareholders are required to include the dividend and associated franking credits in their assessable income, and a tax offset will then be allowed up to the amount of the franking credits. To the extent of the franking credits attached to the dividend, the Australian resident corporate Shareholder should be entitled to a credit in its franking account, and can pass on the benefit of the franked credits to their own shareholders on the payment of franked dividends. Whilst excess franking credits cannot give rise to a refund, they may (in certain circumstances) be converted into carry forward tax losses.

(c) Dividends–Australian tax resident trusts and partnerships

Australian tax resident Shareholders who are partnerships or trustees (other than trustees of 'complying superannuation entities') or partnerships should include dividends and franking credits in determining the net income of the partnership or trust. A beneficiary of a trust, a trustee or a partner may be entitled to a tax offset equal to their share of the net income of the trust or partnership (as relevant).

(d) Dividends–Holding period and related payment rules

To be eligible for tax offsets and franking credits and tax offset, a Shareholder must satisfy the 'holding period' and 'related payment' rules, requiring that the Shareholder hold the Shares 'at risk' for a continuous period of more than 45 days, excluding the dates of acquisition and disposal). Where these rules are not satisfied, the Shareholder will not include an amount for the franking credits in their assessable income and should not be entitled to a tax offset.

The Shares are not held 'at risk' if the Shareholder has a materially diminished risk of loss or opportunity for gain in relation to the Shares. For example, if the Shareholder has entered into an agreement to dispose of the Shares, or granted options over Shares, the Shareholder will not hold the Shares 'at risk'.

A Shareholder will not be obliged to make a 'related payment' in respect of a dividend, unless they hold the Shares 'at risk' for the required holding period around the dividend dates.

This holding period rule is subject to exceptions, including where the total franking offsets of an individual in a year of income are under \$5,000, and special rules apply to trusts and beneficiaries. The Board recommends that Shareholders should obtain their own professional tax advice to determine if these requirements have been satisfied.

10. Additional information

(e) Australian Capital gains tax implications on a disposal of Shares

The disposal of a Share by an Australian resident Shareholder will constitute a CGT event. A capital gain will arise where the cost base of the Share (being the amount paid to acquire the Share, plus any costs in relation to the acquisition or disposal) is exceeded by the capital proceeds on disposal (in the case of an on-market sale, the cash proceeds received on disposal).

However, a CGT discount may be applied against the net capital gain where the Shareholder is an individual, complying superannuation entity or trustee, and the Shares have been held for at least 12 months prior to the CGT event.

If the CGT discount applies, a capital gain arising to individuals and entities acting as Trustees (other than a trust that is a complying superannuation entity) may be reduced by one-half after offsetting current year or prior year capital losses, and for a complying superannuation entity, any capital gain may be reduced by one-third, after offsetting current year or prior year capital losses.

If the Shareholder is the trustee of a trust that has held the Shares for at least 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. The Board recommends that Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

A capital loss should be realised where the reduced cost base of the Share exceeds the capital proceeds from disposal, and capital losses may only be offset against capital gains realised by the Shareholder in the same income year or future income years, subject to certain recoupment tests being satisfied. However, capital losses cannot be offset against other forms of assessable income.

(f) Australian goods and services tax

No GST should be payable by Shareholders on acquisition or disposal of Shares in the Company, and no GST should be payable by Shareholders on receiving dividends distributed by the Company.

However, Shareholders may not be entitled to claim full input tax credits in relation to any GST included in any costs incurred in connection with the acquisition of the Shares, and Shareholders should obtain their own independent tax advice in this regard.

(g) Stamp duty

Shareholders should not be liable for stamp duty in relation to the acquisition of Shares, unless they acquire (either individually or with an associate or related party) an interest of 90% or more in the Company and the Company is a Landholder for duty purposes.

10.6 Legal proceedings

As at the Prospectus Date, so far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company and/or CSB Engage is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of the Company and/or CSB Engage, other than as identified below:

- (a) The Company has previously received a demand for unpaid fees from a supplier in the Congo, who had contracted with a subsidiary of the Company in 2011 to build certain mining infrastructure (but had not completed the work), despite being paid. The Company is of the view that no such debt exists and has also obtained legal advice with respect to this matter confirming the view of the directors. The Company does not intend to take any action with respect to this matter as it considers the claim to be baseless.
- (b) CSB Engage received a notice on 15 March 2017 from MBMG Capital Partners (a purported agent for Four Elements), alleging that CSB Engage is in breach of the Four Elements Agreements (for having failed to provide certain information required under the Four Elements Agreements). CSB Engage has denied the breach and is working to resolve the issue. Please refer to Section 10.3(e) for further detail.

10. Additional information

- (c) LifelQ Singapore (at the relevant time, LifeAlly International Pte Ltd) and Infinite Networks Inc. (**Infinite Networks**) were parties to a services agreement pursuant to which Infinite Networks provided certain technology services to LifelQ Singapore. The agreement was terminated by Infinite Networks pursuant to a notice of termination dated 1 November 2016 following a number of months of negotiations with respect to disputes around fees and ownership of intellectual property.

LifelQ Singapore had during negotiations with Infinite Networks offered to allocate 10% equity in LifelQ Singapore to Infinite Networks in exchange for certain intellectual property (programming code developed by Infinite Networks for the LifelQ application), and fees relating to services provided in 2013 and 2014. The offer and associated Shareholders Agreement were not executed by Infinite Networks, however, certain shares were issued by LifelQ Singapore to Infinite Networks in accordance with the offer noted above (in error).

Infinite Networks has made further claims on 25 October 2016 against LifelQ Singapore for unpaid service fees in the amount of US\$347,720 (**Infinite Networks Claim**). CSB Engage is of the view that it has not received the benefit of any work undertaken by Infinite Networks with respect to those unpaid fees, in particular that the relevant intellectual property developed by Infinite Networks has not been transferred to, and has been withheld from, LifelQ Singapore. LifelQ Singapore has, as its own cost, developed alternative intellectual property (internally) to ensure the continued operation of the LifelQ application. Accordingly, LifelQ Singapore disputes the validity of the Infinite Networks Claim. As at the date of this Prospectus, the Infinite Networks Claim remains unresolved.

10.7 Other material matters

Superannuation

Mobecom Australia has an outstanding debt of approximately \$200,000 (at 31 December 2016) relating to unpaid compulsory Superannuation Levy for its employees. Mobecom Australia has in the past satisfied these obligations by setting them off against the tax refund generated from Mobecom Australia's Research and Development claims. The Australian Taxation Office has accepted this approach on each previous occasion it has been implemented by Mobecom Australia. Please note that following completion of the Offer, the Company intends to satisfy this liability by funds raised under the Offer. Please refer to Section 7.2 for further details.

10.8 Consents

Each of the parties referred to below (each a **Consenting Party**), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in, or omissions from, this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the Consenting Parties has given and has not, before the lodgement of the Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named. None of the Consenting Parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement which is made in this Prospectus is based, other than as specified below:

- (a) PAC Partners;
- (b) Share Registry;
- (c) Holding Redlich;
- (d) Hall Chadwick Corporate (NSW) Limited;
- (e) HLB Mann Judd Assurance (NSW) Pty Ltd; and
- (f) CA Trust PAC.

10. Additional information

Hall Chadwick Corporate (NSW) Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to the inclusion in this Prospectus of statements by it, including its Investigating Accountant's Report in Section 4 and the statements specifically attributed to it in the text of, or by a footnote in, this Prospectus, in the form and context in which they are included (and all other references to that report and those statements) in this Prospectus.

HLB Mann Judd Assurance (NSW) Pty Ltd has given, and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor of CSB Engage for the period FY2016 and HY2017, including as auditor of CSB Engage's, FY2016 consolidated financial reports, and having reviewed CSB Engage's HY2016 financial statements, in the form and context in which it is so named.

HLB Mann Judd Assurance (NSW) Pty Ltd has given and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in the Prospectus as auditor of the Company for FY2016, including as auditor of its FY2016 statutory financial statements and having reviewed the Company's HY2017 statutory financial statements in the form and context in which it is so named.

CA Trust PAC Public Accountants and Chartered Accountants Singapore has given and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in the Prospectus as auditor of CSB Engage for FY2014 and FY2015, including as auditor of its FY2014 and FY2015 statutory financial statements in the form and context in which it is so named.

10.9 Cost of the Offers

The costs of the Offers to be paid in cash expected to be approximately \$960,180 (excluding GST) assuming the Company raises the Minimum Subscription Amount and \$930,180 assuming the Maximum Subscription Amount. These costs will be borne by the Company of which part thereof will be paid from the proceeds of the Investor Offer.

10.10 Governing law

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

10.11 Statement of Directors

The issue of this Prospectus is authorised by each Director.

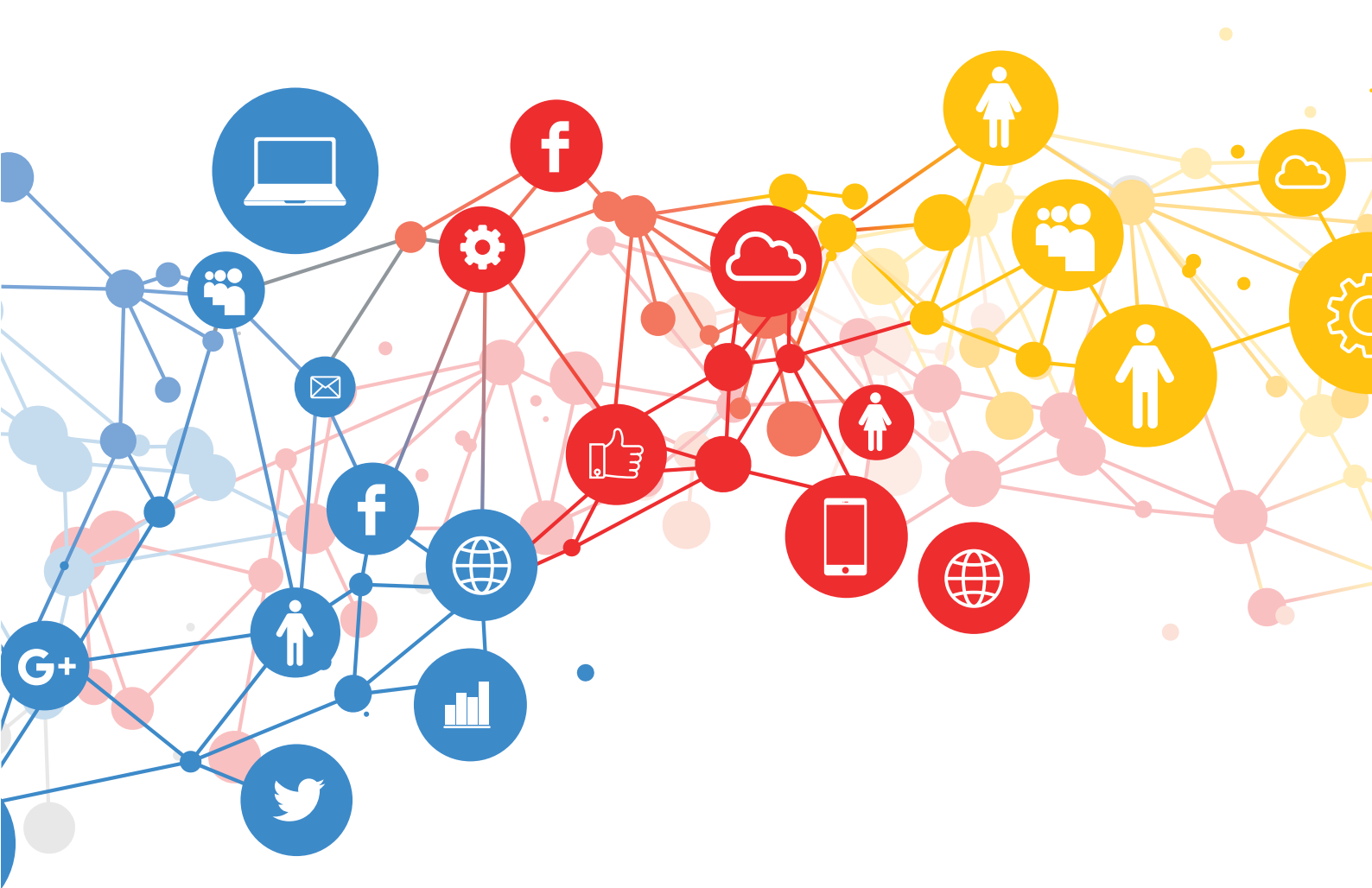
Each Director has consented to the lodgement of the Prospectus with ASIC and the issue of the Prospectus and no Director has withdrawn that consent.

Signed on behalf of the Company,



Sir Warwick Andrew
Director

Dated 15 June 2017



11.

Glossary

Glossary

11.

TERM	MEANING
\$ or dollar(s)	Australian dollars (but SG\$ means Singaporean dollars)
AAS or Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group interpretations
AASB or Australian Accounting Standards Board	Australian Accounting Standards Board, an Australian Government agency under the <i>Australian Securities and Investments Commission Act 2001</i>
AEST	Australian Eastern Standard Time
Applicant	A person who submits an Application for Shares under this Prospectus
Application	Application made to subscribe for Shares under an Offer
Application Form	The relevant form attached to or accompanying this Prospectus pursuant to which Applicants apply for Shares
Application Monies	The amount accompanying an Application Form submitted by an Applicant, calculated as the Offer Price multiplied by the number of Shares applied for
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange, as operated by ASX Limited (ABN 98 008 624 691)
ASX Listing Rules	The official listing rules of ASX
ASX Recommendations	The Corporate Governance Principles and Recommendations issued by the ASX
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532)
ASX Settlement Operating Rules	The operating rules of ASX Settlement
B2B	Business to business—a situation where one business makes a commercial transaction with another business.
Board or Board of Directors	The Board of Directors of the Company
Broker	Any ASX participating organisation selected by the Promoter to act as a broker to the Broker Firm Offer, or the Promoter
Broker Firm Applicant	A person who subscribes for Shares under the Broker Firm Offer
Broker Firm Offer	The offer of Shares under this Prospectus to Australian resident clients of Brokers who have received a firm allocation from their Broker
Chair	In relation to the Company, Sir Warwick John Andrew, or otherwise as the context requires
CHES	Clearing House Electronic Sub-register System operated in accordance with the Corporations Act
Closing Date	6 July 2017
Completion	Completion in respect of the allotment of Shares contemplated in the Prospectus and completion of the Proposed Transaction

11. Glossary

TERM	MEANING
Company or Mobecom	Mobecom Limited ACN 125 688 940 (formerly Waratah Resources Limited)
Constitution	The constitution of the Company
Consideration Shares	112,451,788 Shares
Consolidation	The consolidation of the shares held by the Existing Shareholders on a 1:28 basis which was approved by the Existing Shareholders at the General Meeting
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CRM	Customer relationship management.
CSB Engage	CSB Engage Pte Ltd (201133493R), a company incorporated in Singapore
CSB Engage Business	The business of creating, licensing and selling mobile applications and cloud technology solutions
CSB Engage Group	<ol style="list-style-type: none"> 1. CSB Engage; 2. CSB Engage (Aus) Pty Ltd (ACN 169 438 957), a company incorporated in Australia; 3. Onit Media Asia Pte Ltd (201027028G), a company incorporated in Singapore; 4. CSB Engage SA Pty Ltd (2009/022981/07), a company incorporated in South Africa; 5. LifeIQ Pte Ltd (201217917D), a company incorporated in Singapore; 6. Onit Media Pty Ltd (ACN 149 162 087), a company incorporated in Australia; 7. Mobecom (Australia) Pty Limited (previously Mobecom Pty Limited, previously Endless Rewards Pty Ltd) (ACN 114 569 872), a company incorporated in Australia; and 8. LifeIQ Pty Ltd (ACN 160 164 198), a company incorporated in Australia
CSB Engage Shares	100% of the Shares issued by CSB Engage which are held by the CSB Engage Vendors
CSB Engage Vendors	Each person under the column 'Name of Seller' in the table set out in Section 10.3(a)
D2C	Direct to consumer—a situation where a business engages in a commercial transaction with the end consumer
Developing Products	The airBux and OnTraxx products, as described in more detail in Section 2.5(b)(ii)
Directors	The Directors of the Company from time to time
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Existing Products	The Clique, SIG / Social Intelligence Gatherer, Trace, Muulla, LifeIQ and FiiTR products, as described in more detail in Section 2.5(b)(i)
Existing Shares	Ordinary Shares in the Company that were on issue prior to the Offers
Existing Shareholders	Those persons holding the Existing Shares as at the Prospectus Date

11. Glossary

TERM	MEANING
Exploration Assets and Applications	Mekambo-Est Iron Ore Project–Permis de recherché miniere (Permit), for area No. G6-508 in Gabon named the Mekambo-Est Iron Ore Project held by the Company Gabon S.A., a 100% subsidiary of the Company
Financial Information	Has the meaning given in Section 4
General Meeting	The general meeting of the Existing Shareholders held on 1 May 2017
GST	Goods and services or similar tax imposed in Australia
HIN	Holder Identification Number
Historical Financial Information	Has the meaning given in Section 4
IFRS	International Financial Reporting Standards
Institutional Investors	An investor: <ul style="list-style-type: none"> ▪ in Australia who is either a “professional investor” or “sophisticated investor” under sections 708(11) and 708(8) of the Corporations Act; and ▪ in certain other jurisdictions, to whom offers or invitations of Shares can lawfully be made without the need for a lodged or registered prospectus or other disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply).
Institutional Offer	The invitation to bid for Shares made to Institutional Investors under this Prospectus as described in Section 7.13
Investigating Accountant	Hall Chadwick Corporate (NSW) Limited (ACN 103 221 352)
Investigating Accountant’s Report	The Investigating Accountant’s Report set out in Section 9
Kempson Capital	Kempson Capital Pty Limited ACN 099 051 313
Management Group	Neil Joseph, Chris Joseph, Sean Smith and Aubrey Sonnenberg
Maximum Subscription Amount	\$9,000,000
Minimum Subscription Amount	\$5,000,000
Mining Information	All plans, results, geological data, drawings, specifications, operating procedures, mine plans, mill drawings, plans and other technical data and information solely and exclusively owned by and in the unencumbered possession or control of the Company and relating solely to the operation of its assets including without limitation, all financial analysis, feasibility studies reports, scoping, magnetic surveys, drill logs, chips and core samples and residues for and from assaying and interpretation of the geological, mineralogical and metallurgical data in respect of the Exploration Assets owned by and in the possession of the Company (excluding data and information subject to confidentiality obligations or restrictions given by the Company in favour of a third party)
Mobile Embrace	Mobile Embrace Ltd (ASX:MBE)

11. Glossary

TERM	MEANING
NPAT	Net profit after tax
Offers	The Offers under this Prospectus of new Shares to be issued by the Company as described in Section 7.1
Offer Price	\$0.20 per Share
Officer	Has the meaning given in section 9 of the Corporations Act
Official List	The official list of entities that ASX has admitted and not removed
Opening Date	22 June 2017
Original Undertaking	The business of the Company prior to the implementation of the Proposed Acquisition, which includes the following assets: <ol style="list-style-type: none"> 1. the Exploration Assets and Applications; 2. the Mining Information; and 3. all other assets of the Company relating to the Company's operations relating to recourse projects and commodities trading, but excludes certain assets used for the ongoing operations of the Company.
PAC Partners	PAC Partners Pty Limited ACN 165 738 438
POS	Point of sale
Pro Forma Financial Information	Has the meaning given in Section 4
Pro Forma Historical Financial Information	Has the meaning given in Section 4
Promoter	PAC Partners
Prospectus	This document (including the electronic form of this Prospectus) and any supplementary or replacement Prospectus in relation to this document
Prospectus Date	15 June 2017, the date this Prospectus was lodged with the ASIC
Proposed Acquisition	The Company's proposed acquisition of 100% of the issued shares in CSB Engage pursuant to the Share Sale Agreement
Proposed Transaction	Has the meaning given to that term in the Important Notice section of this Prospectus
SaaS	Software as a service
Share	A fully paid ordinary share in the Company
Share Sale Agreement	The share sale agreement between the Company, CSB Engage and the CSB Engage Vendors for the purchase of 100% of all rights and title in all the issued capital of CSB Engage by the Company from the CSB Engage Vendors dated 18 November 2016 as amended from time to time
Shareholder	The registered holder of a Share
Share Registry	Boardroom Pty Limited ACN 003 209 836
SMS	Short message service

11. Glossary

TERM	MEANING
Statutory Financial Information	Has the meaning given in Section 4
Statutory Historical Financial Information	Has the meaning given in Section 4
Subsidiary	Has the meaning given in section 9 of the Corporations Act
TFN	Tax file number
Tulla	<ol style="list-style-type: none">1. Tulla Group Pty Ltd;2. Tulla Technology Pty Ltd; and3. Marley Holdings Pty Ltd as trustee for the Maloney Family Trust, but for a purposes of an issue of Shares, it means Tulla Group Pty Ltd or its nominee
Tulla Group	Marley Holdings Pty Ltd as trustee for the Maloney Family Trust, The Kevin Maloney Super Fund and Tulla
Wholesale Investor	means an investor that does not need disclosure under section 708(8) and section 708(11) of the Corporations Act

Application Form
Hi-res PDF to be supplied.

(4 pages have been allocated for an Application Form and a duplicate form. This is because the stock used differs from the main Prospectus, and must be a 4-page section for binding purposes.)

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Corporate directory

Directors of the Company

Sir Warwick John Andrew (Non-Executive Chair)
Mandeep Bhandari (Non-Executive Director)
Neil Herbert (Non-Executive Director)

Company Secretary

Anne Adaley

ASX Code

ASX: MBM

Registered Office

Suite 6 Level 13, 3 Spring Street,
Sydney NSW 2000

Share Registry

Boardroom Pty Ltd
Level 12, 225 George Street,
Sydney NSW 2000

Lead Manager

PAC Partners Pty Ltd
Level 10, 330 Collins Street,
Melbourne VIC 3000

Legal Advisor

Holding Redlich
Level 8, 555 Bourke Street,
Melbourne VIC 3000

Investigating Accountants

Hall Chadwick Corporate (NSW) Limited
Level 40, 2 Park Street,
Sydney NSW 2000

Auditors

HLB Mann Judd Assurance (NSW) Pty Ltd
Level 19, 207 Kent Street,
Sydney NSW 2000

