

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

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

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

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

Name of entity

HUB24 Limited

ABN

87 124 891 685

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1. Options (not quoted) to acquire fully paid ordinary shares ("Options") granted to eligible employees under the terms of the HUB24 Limited Share Option Plan.
2. Performance Rights (not quoted) to acquire fully paid ordinary shares ("Performance Rights") granted to eligible employees under the terms of the HUB24 Limited Performance Rights Plan.
3. Fully paid ordinary shares (FPO) issued to Andrew Alcock to receive shares in lieu of short term incentive payments in respect of the year ended 30 June 2016 as approved by shareholders at the Annual General Meeting of the company held 29 November 2016. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 468,639 Options

137,043 Performance Rights

21,525 FPO issued at \$4.46 per share. |

+ See chapter 19 for defined terms.

- 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Under the HUB24 Limited Share Option Plan, participants are offered the grant of Options.

1. Terms (in respect of 418,639 of the Options and all 137,043 of the Performance Rights)

Subject to satisfaction of the Vesting Conditions applicable to the Options and Performance Rights, the holder will be entitled to exercise their Options and Performance Rights from the date the Options and Performance Rights vest until the 5th anniversary of the date of issue of the Options and Performance Rights (being 11.59pm on the Expiry Date, 29 November 2021).

The exercise price in respect of these Options will be the VWAP of HUB24 Limited fully paid ordinary shares determined in the first 20 trading days before the release of HUB24 Limited's full-year result for the year ended 30 June 2016 (ie. \$4.46). The exercise price in respect of the Performance Rights will be Nil.

The vesting conditions which must be met to the satisfaction of the Board in order for the Options and Performance Rights to be exercised are:

- **First Performance Condition:** 50% of these Options and 50% of the Performance Rights are subject to the First Performance Condition being compound annual growth (CAGR) in funds under administration (FUA). For the performance period from 1 July 2016 to 30 June 2019, vesting is calibrated as follows –
 - Zero vesting will occur if the CAGR in FUA was below a minimum level of 28% per annum (109.7% over three years);
 - 30% vesting will occur if the CAGR in FUA reaches 28% per annum (109.7% over three years);
 - 100% vesting will occur if the CAGR in FUA reaches 45% per annum (204% over three years) or more; and
 - vesting between 28% and 45% per annum CAGR in FUA will be on a straight-line basis between these two levels.
- **Second Performance Condition:** 50% of these Options and 50% of the Performance Rights are subject to the Second Performance

+ See chapter 19 for defined terms.

Condition being growth in absolute total shareholder return (ATSR). Vesting is calculated as follows –

- 25% vesting will occur when a threshold vesting of 12.5% ATSR compounded annually is achieved;
- 100% vesting will occur when a threshold vesting of 17.5% ATSR compounded annually is achieved; and
- vesting between 12.5% and 17.5% ATSR will be on a straight-line basis between these two levels.

The determination of the ATSR thresholds will be based upon the 20 trading day VWAP for HUB24 shares immediately before the release of HUB24's full-year result for the 2016 financial year (ie. \$4.46).

- **Employment:** The employee must not cease to be employed by the Company or any of its subsidiaries on a full-time basis at any time from the date of issue of the Options and Performance Rights until the date they are exercised otherwise the Options and Performance Rights will lapse and be forfeited, with the exception that in the event of termination by the employee or the Company or by reason of death, or becoming (in the Board's view) totally and permanently disabled, or the occurrence of such other event as the Board determines in its sole discretion, the Options and Performance Rights will not be forfeited.

2. Terms (in respect of 50,000 of the Options)

Subject to satisfaction of the Vesting Conditions applicable to the Options, the holder will be entitled to exercise their Options after the third anniversary of the date of issue of the Options and before 11:59 pm on the Expiry Date (which is 29 November 2021).

The exercise price will be the VWAP of HUB24 Limited fully paid ordinary shares determined in the last 20 trading days (ie. \$5.41).

The vesting conditions which must be met to the satisfaction of the Board in order for these

+ See chapter 19 for defined terms.

Options to be exercised are:

- **Employment:** The employee must not cease to be employed by the Company or any of its subsidiaries on a full-time basis at any time from the date of issue of the Options until the date they are exercised otherwise the options will lapse and be forfeited, with the exception that in the event of termination by the employee or the Company or by reason of death, or becoming (in the Board's view) totally and permanently disabled, or the occurrence of such other event as the Board determines in its sole discretion, the Options will not be forfeited.
- **Share price hurdle:** The closing sale price of the Shares traded on ASX must have increased by at least 52% of the exercise price of the Options (which is \$5.41) for each day in any 20 consecutive trading day period starting on or after the third anniversary of the date of issue of the Options.

+ See chapter 19 for defined terms.

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	An Option or Performance Right does not entitle a participant under the HUB24 Limited Share Option Plan or HUB24 Limited Performance Rights Plan (respectively) to participate in new issues of securities or to receive dividends. In the event that fully paid ordinary shares are issued upon the exercise of Options or Performance Rights pursuant to the HUB24 Limited Share Option Plan or the HUB24 Limited Performance Rights Plan (respectively), those shares will rank equally with existing ordinary shares. The FPO issued under the share issue rank equally with existing issued FPO of HUB24 limited.
5 Issue price or consideration	The 468,639 Options and 137,043 Performance Rights are issued for Nil consideration. The FPO are issued \$4.46 per share representing the 20 Day VWAP prior to the issue of HUB24's full year result for the year ended 30 June 2016.
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Options and Performance Rights are being granted under the HUB24 Limited Share Option Plan and the HUB24 Performance Rights Plan (respectively) that have been established by the Company as an incentive for employees. Share issue – to enable key executives of HUB24 Limited to take part of their short term incentive entitlement in respect of the year ended 30 June 2016 in the form of FPO so as to further align the interests of those key executives with shareholders and HUB24 Limited's longer term performance objectives.

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	106,464 Options 34,851 Performance Rights Meeting date: 29 November 2016
6f	Number of securities issued under an exception in rule 7.2	362,175 Options 102,192 Performance Rights
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A

+ See chapter 19 for defined terms.

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Remaining capacity LR 7.1 – 7,908,268
----	--	---------------------------------------

7	+Issue date	29 November 2016.
---	-------------	-------------------

8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	Number	+Class
		53,482,303	FPO

Number	+Class
--------	--------

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	310,000	Options (exercisable at \$0.8424 each expiring on 14 October 2017).
		1,440,000	Options (exercisable at \$0.8438 each expiring on 8 August 2017).
		760,000	Options (exercisable at \$0.98 each expiring on 17 October 2019).
		200,000	Options (exercisable at \$0.98 each expiring on 17 October 2019).
		1,000,000	Options (exercisable at \$1.156 each expiring on 4 December 2019).
		610,000	Options (exercisable at \$2.46 each expiring on 14 October 2020).
		150,000	Options (exercisable at \$2.46 each expiring on 7 December 2020).
		50,000	Options (exercisable at \$3.98 each expiring on 30 March 2021).
		418,639	Options (exercisable at \$4.46 each expiring on 29 November 2021).
		50,000	Options (exercisable at \$5.41 each expiring on 29 November 2021).
		137,043	Performance Rights (nil exercise price each expiring on 29 November 2021).
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Nil	

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

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

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

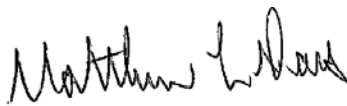
Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A				
39	Class of +securities for which quotation is sought	N/A				
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A				
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A				
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">N/A</td> <td style="padding: 5px;">N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A
Number	+Class					
N/A	N/A					

+ See chapter 19 for defined terms.

Quotation agreement

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



Sign here: Date: 29 November 2016
(Company secretary)

Print name: Matthew Haes

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

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

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	52,588,340
Add the following: - Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	280,000 153,896
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	53,022,236

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	7,953,335
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period not counting those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items	45,067 FPO issued under 7.1 on 29 August 2016
“C”	45,067
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	7,953,335
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	45,067
Total [“A” x 0.15] – “C”	7,908,268 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D” 	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	N/A
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	N/A
“E”	N/A

+ See chapter 19 for defined terms.

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

+ See chapter 19 for defined terms.