



PEPPERMINT

INNOVATION LIMITED

 PEPPERMINT

Mr Anthony Kain
Chairman
29 January 2021

PEPPERMINT INNOVATION LIMITED

ACN 125 931 964

PROSPECTUS

For an offer of 200,000,000 Shares at an issue price of \$0.01 per Share to raise \$2,000,000 (the **Mandate Funding Offer**), with the ability to accept oversubscriptions of up to a maximum of 50,000,000 Shares at an issue price of \$0.01 per Share to raise up to an additional \$500,000.

This Prospectus also contains an offer of 40,000,000 Options to Clee Capital, comprising:

- (a) 20,000,000 Options exercisable at \$0.015 each; and
- (b) 20,000,000 Options exercisable at \$0.025 each,

on or before the date which is 3 years from their date of issue (the **Options Offer**).

The Mandate Funding Offer is conditional upon satisfaction of the Conditions, which are detailed in Schedule 1. No Securities will be issued pursuant to the Mandate Funding Offer until the Conditions are met.

Corporate Advisor to the Mandate Funding Offer: Clee Capital Pty Ltd (ACN 637 619 937).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have been questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

 PEPPERMINT

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1. CORPORATE DIRECTORY

Directors

Mr Christopher Kain
(Managing Director)

Mr Anthony Kain
(Executive Director)

Mr Matthew Cahill
(Non-Executive Director)

Company Secretary

Mr Anthony Kain

ASX Code

PIL

Corporate Adviser to the Offer

Clee Capital Pty Ltd
ACN 637 619 937
481A New South Head Road
DOUBLE BAY NSW 2028

Investigating Accountant

RSM Corporate Australia Pty Ltd
Level 32
2 The Esplanade
PERTH WA 6000

Registered Office

Level 2 East
The Wentworth Building
300 Murray Street
PERTH WA 6000

Telephone: + 61 8 6255 5504

Email: info@pepltd.com.au

Website: www.pepltd.com.au

Share Registry*

Computershare Investor Services Pty
Limited
Level 11
172 St Georges Terrace
PERTH WA 6000

Legal Advisers

Steinepreis Paganin Lawyers and
Consultants
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditors

RSM Australia Partners
Level 32
2 The Esplanade
PERTH WA 6000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. IMPORTANT NOTICE

2.1 General

This Prospectus is dated 29 January 2021 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No person is authorised to give information or to make any representation in connection with the Offers, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by Peppermint Innovation Limited (ACN 125 931 964) (**Peppermint** or the **Company**) in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

2.2 Re-Instatement Prospectus

This Prospectus is a re-instatement prospectus for the purposes of satisfying the ASX requirements for re-quotation to the Official List following the suspension of the Company securities on the Australian Securities Exchange on 11 October 2019.

2.3 No Offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States of America.

2.4 No cooling-off rights

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

2.5 No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and has been prepared without taking into account your

financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

2.6 Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Securities. Refer to Section C of the Investment Overview as well as Section 8 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

2.7 Expiry Date

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

2.8 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management.

Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors, or officers, or any person named in this Prospectus, can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will provide to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward looking statements contained in this Prospectus are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 10 of this Prospectus.

2.9 Financial Forecasts

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 on the basis that the operations of the Company are inherently uncertain. Accordingly, 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.

2.10 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

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

2.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

2.12 Privacy statement

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry, the Corporate Advisor and other brokers involved in the Mandate Funding Offer, Peppermint and related bodies corporate, agents, contractors and third party

service providers of the foregoing (**Collecting Parties**). The Collecting Parties collect, hold and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with an Offer, including processing your acceptance of an Offer and complying with applicable law, the ASX Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any Public Authority.

If you do not provide the information required in the Application Form, the Company may not be able to accept or process your acceptance of the Mandate Funding Offer.

If the Offers are successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of Shareholders, including bidders for your securities in the context of takeovers, Public Authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the *Privacy Act 1988* (Cth) and all other legal requirements. If obliged to do so by law or any Public Authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the date of this Prospectus, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory in Section 1 of this Prospectus. A fee may be charged for access.

2.13 Defined terms

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 17 of this Prospectus.

2.14 Time

All references to time in this Prospectus are references to Australian Western Standard Time.

2.15 Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in

them endorses the 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.

2.16 Use of Trademarks

This Prospectus includes 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.

2.17 Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Mandate Funding Offer Offer, please call the Company Secretary on + 61 8 6255 5504.

3. KEY OFFER AND REINSTATEMENT INFORMATION

3.1 Indicative timetable^{1, 2}

Lodgement of Prospectus with the ASIC	29 January 2021
Opening Date of the Offers	29 January 2021
Closing Date of the Offers	2 February 2021
Issue of Shares under the Mandate Funding Offer	2 February 2021
Issue of Options under the Options Offer	2 February 2021
Satisfaction of Reinstatement Conditions	12 February 2021
Anticipated date for re-quotation to ASX and suspension of trading lifted	12 February 2021

¹ The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with any of the Offers at any time before the issue of Shares to Applicants.

² If the Offers are cancelled or withdrawn before completion of the Mandate Funding Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.

3.2 Key Statistics of the Offer

	Full Subscription	Full Oversubscription
Offer Price per Share under the Mandate Funding Offer	\$0.01	\$0.01
Shares currently on issue ³	1,133,504,463	1,133,504,463
The Mandate Funding Offer issue price	\$0.01	\$0.01
Shares to be issued under the Mandate Funding Offer	200,000,000 ¹	250,000,000 ²
Shares on issue Post Re-Listing (undiluted) ⁴	1,333,504,463	1,383,504,463
Market Capitalisation Post Re-Listing (undiluted)⁴	\$13,335,045	\$13,835,045
Options Currently On Issue ⁵	194,500,000	194,500,000
Options to be issued under the Options Offer (fully diluted)	40,000,000⁶	40,000,000⁶
Options to be on issue Post Re-Listing	234,500,000	234,500,000
Market Capitalisation Post Re-Listing (fully diluted)	\$15,680,045	\$16,180,045

Notes:

1. Assuming the Full Subscription is achieved under the Mandate Funding Offer.
2. Assuming the Full Oversubscription is achieved under the Mandate Funding Offer.
3. The Interim Funding Offer was completed in December 2020. Accordingly, the total number of Shares on issue includes the Shares issued under the Interim Funding Offer.
4. Assuming a Share price of \$0.01 (being the Offer price under the Mandate Funding Offer), however the Company notes that the Shares may trade above or below this price.
5. Comprising:
 - (a) 30,000,000 unlisted Options exercisable at \$0.014 each, on or before 20 May 2021;
 - (b) 35,000,000 unlisted Options exercisable at \$0.01 each, on or before 30 May 2021;
 - (c) 39,000,000 unlisted Options exercisable at \$0.01 each, on or before 31 March 2021;
 - (d) 35,000,000 unlisted Options exercisable at \$0.01 each, on or before 31 December 2021;
 - (e) 40,500,000 unlisted Options exercisable at \$0.01 each, on or before 31 March 2021 (in respect of which the Company obtained Shareholder approval for the issue at the recent AGM held on 25 January 2021); and
 - (f) 15,000,000 unlisted Options, being free attaching options to previously issued placement Shares, exercisable at \$0.01 each, on or before 31 December 2021 (in respect of which the Company obtained Shareholder approval for the issue at the recent AGM held on 25 January 2021).
6. Refer to Section 14.3 for the terms of the Options proposed to be issued under the Options Offer.

3.3 Reinstatement Conditions

The Company must satisfy all outstanding Reinstatement Conditions prior to reinstatement of the Company's Securities to trading on the Official List, which include amongst other things, demonstrating compliance with Listing Rules 12.1 to 12.4 inclusive, to the satisfaction of the ASX.

Further details of the Reinstatement Conditions are set out in Schedule 1 of this Prospectus. ASX requires satisfaction of the Reinstatement Conditions by 24 March 2021. As set out above in the Indicative Timetable in Section 3.1, the Company currently anticipates re-instatement to the Official List of the ASX on 12 February 2021 and accordingly, expects to meet the Reinstatement Conditions prior to the date required by ASX.

3.4 Meeting of Shareholders

On 24 December 2020, the Company dispatched its Notice of Meeting to Shareholders in respect of, amongst other things, the Mandate Funding Offer and certain Reinstatement Conditions. Those Resolutions related to the Reinstatement, which were considered at the Meeting held on 25 January 2021, and passed by Shareholders, were as follows:

- (a) Resolution 4: to ratify the prior issue of 12,500,000 Shares issued on 11 December 2019;
- (b) Resolution 5: to ratify the prior issue of 21,000,000 ordinary shares in the Company under the placement capacity available under Listing Rule 7.1;
- (c) Resolution 6: to ratify the prior issue of 5,500,000 ordinary shares in the Company under the placement capacity available under Listing Rule 7.1;

- (d) Resolution 7: to ratify the prior issue of 40,500,000 Shares under the placement capacity available under Listing Rule 7.1A;
- (e) Resolution 8: to ratify the prior issue of 39,000,000 ordinary shares in the Company under the placement capacity available under Listing Rule 7.1;
- (f) Resolution 9: to approve the restructuring of \$1,500,000 of convertible notes under Listing Rule 7.1;
- (g) Resolution 10: to approve the issue of 40,500,000 Options under the placement capacity available under Listing Rule 7.1;
- (h) Resolution 11: to approve the issue of 200,000,00 Shares (being the subject of the Mandate Funding Offer);
- (i) Resolution 12: to approve the issue of 40,000,000 Options under the placement capacity available under Listing Rule 7.1;
- (j) Resolution 13: to ratify the prior issue of 50,000,000 Shares issued under Listing Rule 7.1A (being the subject of the Interim Funding Offer);
- (k) Resolution 14: to ratify the prior issue of 35,000,000 Options issued under Listing Rule 7.1;
- (l) Resolution 15: to approve the issue of 15,000,000 Options under Listing Rule 7.1.

In addition, the Company obtained shareholder approval to adopt the Remuneration Report, elect Director Mr Anthony Kain and ratify several prior issues of Shares and Options. For further details in respect of these resolutions, please refer to the Company's Notice of Meeting released on the ASX platform (ASX: PIL) on 24 December 2020 and the announcement made in relation to the results of the Meeting on 25 January 2021.

4. CHAIRMAN'S LETTER

Dear Investor,

On behalf of the Directors of Peppermint Innovation Limited (**Peppermint** or the **Company**), it gives me great pleasure to invite you to participate in the ownership and future growth of the Company.

Peppermint aims to provide access to mobile banking services to those who currently do not have ready access to such services building off a solid base in a part of the world that needs such utility.

On 11 October 2019, the Company was suspended from trading on the Official List under ASX Listing Rule 17.3, due to a disclaimer of opinion in Peppermint's annual financial report for the financial year ended 30 June 2019. The Company has remained in suspension since that date but despite that restraint, and the crisis COVID 19 brought upon the world, Peppermint has continued to build its platform and business. It has done this by raising capital from the sale of non core assets (that had been written down) and from oversubscribed placement, a great effort by the Peppermint team to get us to where we are now with the Company seeking Reinstatement on the ASX.

In connection with the Reinstatement, the Company is seeking to undertake a capital raising to raise an additional \$2,000,000 and facilitate the reinstatement of the Company's securities to trading on the Official List of the ASX, which requires satisfaction of a number of conditions (the **Reinstatement Conditions**).

On 24 December 2020, the Company dispatched the Notice of Meeting in respect of, amongst other matters, the Reinstatement. The General Meeting was held on 25 January 2021. All Resolutions put to Shareholders at the meeting were strongly supported and each Resolution was voted on by Poll.

This Prospectus is seeking to raise \$2,000,000 (with the ability to accept oversubscriptions up to \$500,000) via the issue of Shares at an issue price of \$0.01 per Share under the Mandate Funding Offer and also addresses the Interim Funding Offer which raised \$500,000 in December 2020 via the issue of Shares at an issue price of \$0.01 per Share). In addition, the Prospectus includes an offer of 40,000,000 Options to Clee Capital.

The purpose of the Mandate Funding Offer is to provide funds to enable the Company to facilitate a reinstatement of the Company's securities to trading on the Official List of the ASX) and implement the Company's business strategies (explained in Section 5).

The Directors, who will remain as Directors upon reinstatement of the Company's securities to trading on the Official List, have significant expertise and experience working with Peppermint's expert team in the mobile banking industry in the Philippines and will aim to ensure that funds raised through the Mandate Funding Offer will be utilised in a cost-effective manner to advance the Company's Business.

Please note this Prospectus contains detailed information about the Company, its Business and the Mandate Funding Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. In particular, I refer you to

the risk factors at Section C of the Investment Overview and Section 8 and note the Securities offered by this Prospectus should be considered speculative.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.



Anthony Kain

Chairman

Peppermint Innovation Limited

5. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. The Company		
Who is the issuer of this Prospectus?	Peppermint Innovation Limited (ACN 125 931 964 – ASX Code “PIL”) is an Australian public company, which was incorporated on 13 June 2006 and after a reverse takeover, was re-admitted to the official list of the ASX on 23 November 2015.	Section 7
Who is the Company?	The Company's primary focus is on the “Peppermint Platform”, which is a mobile banking, payment, delivery and logistics, ecommerce and finance technology initially designed for banks, agents, associations and microfinance institutions.	Section 7.1
Why is the Company suspended from the Official List?	The Company was suspended from trading on the Official List on 11 October 2019 under ASX Listing Rule 17.3, due to a disclaimer of opinion in Peppermint's annual financial report for the financial year ended 30 June 2019. The Company has remained in suspension since that date.	Section 7.1
How will the Company's securities be reinstated to trading?	The Company must satisfy the Reinstatement Conditions for reinstatement of the Company's securities to trading on the Official List to occur, which includes, amongst other things, releasing this Prospectus and making the Mandate Funding Offer. The Company obtained Shareholder approval at the General Meeting held on 25 January 2021 for several matters related to the Mandate Funding Offer and Reinstatement. Further details of the Reinstatement Conditions are set out in the Key Offer and Reinstatement Information Section (Section 3) and Schedule 1 of this Prospectus.	Section 3.3, Section 7.1, Schedule 1

Item	Summary	Further information
B. Industry Overview		
What is the industry in which the Company operates?	The Peppermint Platform operates in the mobile banking industry. Through the provision of the Peppermint Platform, the Company aims to provide access to mobile banking services to those who currently do not have ready access to such services. As stated in the Company's initial public offering prospectus dated 16 October 2015, the Company aims to provide a tool which provides financial services for the unbanked population to access mobile banking and remit money to and from family and others through a system not tied to a particular bank or telephone company.	Section 7
Who are the Company's key competitors?	"Grab" - founded in Malaysia in 2011 as Grab Taxi App "My Teski" growing to revenues of USD1 billion by 2018 with 160 million App downloads offering ride sharing, delivery & logistics, financial services managed by Grab m-wallet. Has raised USD7.5 billion and been valued as high as USD14 billion. "Go-Jek" – 2010 launched in Jakarta with 20 riders. 2015 the app logged 100 million transactions, 2018 processed more than USD9 billion in transaction value, 2019 q1 30 million downloads and in 2020 2 million riders, 400,000 merchants, 18 mobile app on demand services managed by the Go-Jek m-wallet. Has raised USD4.5 billion and been valued as high as USD11 billion.	Section 7
C. Business Model		
What is the Company's business model?	Peppermint is focused on the commercialisation of the Peppermint Platform which is a mobile banking, payment, delivery and logistics, ecommerce and finance technology initially designed for banks, agents, associations and microfinance institutions. The Peppermint Platform provides access to mobile banking services to those who currently do not have ready access to such services. The Company currently operates the Platform in the Philippines where it delivers an innovative financial technology solution to facilitate financial inclusion, micro business enterprise and consumer convenience with a	Section 7.6

Item	Summary	Further information
	skilled team with experience building such a business.	
What are the Company's key business objectives?	The Company's proposed business model is to: (a) continue to develop the Platform by expanding on the range of activities and service offerings to attract more agents and customers into using the Bizmoto App and Platform; (b) as part of the service offering, continue the development of the bizmoPay microfinance module on the Bizmoto Platform; (c) continue deployment of the Platform in the Philippines and the roll-out of mobile banking technology and services to BancNet member outsourcing banks, based on the use and deployment of the Platform to now with leading commercial banks; (d) leverage its commercialisation strategy in the Philippines to further develop, commercialise and deploy the Platform across Asia and beyond; and (e) build on existing relationships to develop a commercial presence in Asia and beyond.	Section 7.6
What are the key business strategies of Peppermint?	The Company has developed and deployed the App and the Peppermint Platform under the brand name "Bizmoto" (meaning "my business" in Filipino). Through the Peppermint Platform and the App, a local Filipino agent or his customer is able to: (a) access eCommerce, delivery and logistics (where accredited riders are available on-demand); (b) make bill payments and cash transfers; and (c) e-load mobile phones, or make QR code payments to purchase products, Each of the above services are able to be accessed via the Bizmoto App and connected Bizmoto wallet on the registered agents mobile phone. In addition,	Section 7.6

Item	Summary	Further information
	Peppermint is now working towards the addition of micro-enterprise lending and non-bank financial services to its expanding network of agents and riders. The Company believes that this advancement will provide further impetus for Bizmoto, an ecosystem of services readily scalable and targeted at developing world countries in the ASEAN region.	
How does Peppermint generate income?	Peppermint is deriving its revenue through commission on each transaction by a user of the Peppermint Platform and fees on a SAAS basis for the development and maintenance of the Peppermint Platform tailored to the needs of commercial clients. Refer to Section 10 for further details in respect of the Company's financial information.	Sections 7 and 10
What are the key dependencies of Peppermint's business model	The key factors that Peppermint will depend on to meet its objectives following reinstatement of the Company's securities to trading on the Official List are: (a) the continuation and growth of the bizmoto agent network; (b) the level of usage of the Peppermint Platform by the agent network including the bizmoGo and bizmoTinda elements of the business; (c) the continuation and growth of contracts with Filipino banks, the banking network and other organisations which use the Peppermint Platform; and (d) the success of current development projects now under way.	Section 7.7
D. Key Risks		
Reinstatement Risk	The Company is required to satisfy the Reinstatement Conditions for reinstatement of the Company's Shares to Official Quotation on the ASX. There is a risk that the Company may not be able to meet the Reinstatement Conditions within the time period required by ASX and should this occur, the Company would be removed from trading on the Official List and the Company's Securities will be delisted. In this	Section 8.2(a)

Item	Summary	Further information
	instance, the Company would immediately withdraw the Offers.	
Ability to attract and retain key personnel	Peppermint's success depends, to a large extent, on its ability to attract and retain appropriately skilled personnel. Peppermint is currently operated and managed by a small group of select team members. The departure, either temporary or permanent, of those key staff, or any delay in their replacement, could adversely affect Peppermint's performance. Similarly, as a company seeking to grow and expand, Peppermint's success in securing new talent will be critical going forward and may be constrained for a number of reasons. Additionally, Peppermint relies on offshore team members. In the event that offshore employees cease to continue working with Peppermint, this could cause significant disruption to the operations of the business and would require Peppermint to find alternative employees.	Section 8.2(o)
Acquisitions and Partnerships	Peppermint cannot control the actions of joint venture partners and therefore cannot guarantee that partnerships will be operated or managed in accordance with Peppermint's preferred direction, strategy or risk management parameters. To the extent that acquisitions or partnership arrangements are not successfully integrated with Peppermint's existing business lines, the growth and financial performance of Peppermint could be affected and, despite the terms of the relevant agreements, it may be impractical to enforce all of Peppermint's rights (particularly if the partnerships operate overseas).	Section 8.2(b)
Contracts	There is the risk that if counterparties default on their obligations, which may in turn necessitate legal action, there is a risk of significant financial loss for Peppermint. In some cases, the contracts that Peppermint has entered into may be governed in jurisdictions outside Australia. It may be more difficult to resolve disputes in such jurisdictions than it would be under Australian law. As	Section 8.2(c)

Item	Summary	Further information
	such, Peppermint cannot ensure that an appropriate legal resolution will be achieved.	
Intellectual Property Rights	There is a risk of third parties making claims of infringement of intellectual property against Peppermint. This could result in significant legal costs and negatively impact operations.	Section 8.2(d)
Competition	Peppermint's market position and customer relationships may be affected by competitors. Although Peppermint will undertake all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the projects and business of Peppermint.	Section 8.2(f)
Limited Operating History	The business has had limited operations and revenues to date in which potential investors can evaluate the business. Investors must consider all risks associated with and frequently encountered by companies operating in the same space, particularly companies involved in generally new, rapidly evolving markets.	Section 8.4(a)
Loss of Key Clients	The business currently operates primarily through the bizmoto agent network and a few key client relationships. Peppermint is expected to maintain and build the bizmoto agent network, maintain current and establish new relationships through the continued enhancement of its products and solutions. In the event that these relationships diminish or fail (including through a termination event arising under an agreement) the resulting effect may negatively impact the operating results of Peppermint.	Section 8.4(b)
Operations and management of Potential Growth	Peppermint is working in a fast moving environment, engaged in business with multiple partners. Navigating these issues while effectively dealing with prioritisation, timing, execution, cost control, and other business decisions is likely to provide real challenges for its small management team. There can be no guarantee that successful execution of Peppermint's strategy will make it profitable or commercially viable. Current	Section 8.4(e)

Item	Summary	Further information
	product development and marketing strategies may not have the intended effect of increasing customers. Similarly, strategies to create value from customers of the application may not yield the expected revenue.	
Product Development	Peppermint believes that it provides a meaningful and engaging offering. Moreover, in addition to its current products and services, Peppermint is always improving and developing its products to enhance and suit the bizmoto agent business, bill payments, QR code payments, cash transfer, microfinance, eCommerce, delivery and logistics business it is building. Delays in product development, cost overruns, or difficulties in delivering new features will negatively impact the Company and its business.	Section 8.4(f)
Reliance on core information technology, other systems and security	Techniques used to gain unauthorised access to private networks are constantly evolving and Peppermint may be unable to anticipate or prevent unauthorised access to data pertaining to its customers, which could include credit card and debit card information, bank account details or other personally identifiable information. Peppermint's service is vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorized use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information. If an actual or perceived breach of security occurs of Peppermint's systems, it may face civil liability and public perception of our security measures could be diminished, either of which would negatively affect Peppermint's ability to attract or maintain customers. Peppermint also would be required to expend significant resources to mitigate any such breach of security and to address related matters.	Section 8.4(l)

Item	Summary	Further information																
E. Directors and Key Management Personnel																		
Directors	The directors of the Company are currently: Mr Christopher Kain (Managing Director); Mr Anthony Kain (Chairman and Executive Director); and Mr Matthew Cahill (Non-Executive Director). Upon Reinstatement, the Company is not proposing to make any changes to the composition of the Board as set out above. However, as the Company and the Peppermint Platform continues to develop, the Board will look to supplement the current Board with valuable expertise from additional personnel (as and when the Board considers appropriate). The profiles of each of these individuals are set out in Section 9.1. A summary of the material terms and conditions of the current employment or engagement of the above persons with the Company is set out in Section 13.2 and 13.3.	Sections 9, 13.2 and 13.3																
What are the significant interests of the Directors in the Company?	As at the date of this Prospectus, the interests of the Directors is as set out below: <table><tr><th>Director</th><th>Number of Shares</th><th>Voting Power</th></tr><tr><td>Anthony Kain</td><td>93,991,416</td><td>8.29%</td></tr><tr><td>Christopher Kain</td><td>110,325,321</td><td>9.73%</td></tr><tr><td>Matthew Cahill</td><td>6,437,768</td><td>0.58%</td></tr></table>	Director	Number of Shares	Voting Power	Anthony Kain	93,991,416	8.29%	Christopher Kain	110,325,321	9.73%	Matthew Cahill	6,437,768	0.58%	Section 9.2				
Director	Number of Shares	Voting Power																
Anthony Kain	93,991,416	8.29%																
Christopher Kain	110,325,321	9.73%																
Matthew Cahill	6,437,768	0.58%																
What are the benefits being paid to the Directors?	As at the date of this Prospectus, the benefits being paid to the Directors are as follows: <table><tr><th>Director</th><th>Year Ending 30 June 2021</th><th>Year Ending 30 June 2020</th><th>Year Ending 30 June 2019</th></tr><tr><td>Christoph er Kain</td><td>\$305,317</td><td>\$303,639</td><td>\$303,665</td></tr><tr><td>Anthony Kain</td><td>\$230,428</td><td>\$229,162</td><td>\$229,181</td></tr><tr><td>Matthew Cahill</td><td>\$34,564</td><td>\$36,299</td><td>\$52,606</td></tr></table>	Director	Year Ending 30 June 2021	Year Ending 30 June 2020	Year Ending 30 June 2019	Christoph er Kain	\$305,317	\$303,639	\$303,665	Anthony Kain	\$230,428	\$229,162	\$229,181	Matthew Cahill	\$34,564	\$36,299	\$52,606	Section 9.2
Director	Year Ending 30 June 2021	Year Ending 30 June 2020	Year Ending 30 June 2019															
Christoph er Kain	\$305,317	\$303,639	\$303,665															
Anthony Kain	\$230,428	\$229,162	\$229,181															
Matthew Cahill	\$34,564	\$36,299	\$52,606															

Item	Summary	Further information
What related party agreements is the Company Group party to?	The Company is a party to executive services agreements with Christopher Kain and Anthony Kain, a CFO engagement agreement with Black Tourmaline Pty Ltd, and consultancy services agreements with Matthew Cahill, Rosette Carrillo, Adrian Ocampo and Chris Leathley.	Section 13
F. Financial Information		
How has Peppermint performed over the past 12 months?	Refer to the Financial Information included at Section 10 for details concerning the Company's recent performance up until 30 June 2020.	Section 10
What is the financial outlook for Peppermint?	The Peppermint Platform is now being used by agents and customers and with this funding Peppermint is proposing to ramp up commercial deployment and usage of the Peppermint Platform.	Section 10
Will Peppermint have sufficient funds for its activities?	Based on the proposed use of funds set out in Section 6.4, the Board believes the capital raised under the the Mandate Funding Offer, together with existing cash reserves, should be sufficient to fund Peppermint's proposed activities for the next 12 months.	Section 10
How has Peppermint historically performed?	Please refer to the Financial Information in Section 10 for further information.	Section 10
G. Offers		
What is being offered under the Mandate Funding?	The Mandate Funding Offer is an offer for up to 200,000,000 Shares at an issue price of \$0.01 per Share to raise up to \$2,000,000 (before costs) (with oversubscriptions of up to \$500,000 (50,000,000 Shares at an issue price of \$0.01 per Share)). The Mandate Funding Offer is not underwritten. Only residents of Australia may participate in the Mandate Funding Offer.	Sections 7.1, 7.10 and 10
What will Peppermint's	The Company's capital structure on a post-Offers basis is set out in Section 7.11.	Section 7.11

Item	Summary	Further information
capital structure look like after completion of the Offers?		
Will I be guaranteed a minimum allocation under the Mandate Funding Offer?	No, the Company cannot guarantee a minimum allocation of Shares under the Mandate Funding Offer.	Section 6.14
What are the terms of the Securities offered under the Mandate Funding Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Mandate Funding Offer is set out in Section 14.2.	Section 14.2
Will any Securities be subject to escrow?	No Shares issued pursuant to this Offer will be subject to any escrow requirement by the ASX.	Section 6.1
Will Securities be quoted?	Application for quotation of all Shares issued under this Offer will be made to ASX no later than 7 days after the date of this Prospectus.	Section 6.8
What are the key dates of the Mandate Funding Offer?	The key dates of the Mandate Funding Offer are set out in the indicative timetable in Section 3.1.	Section 3.1
What is the Options Offer?	The Options Offer is an offer of 40,000,000 Options to Clee Capital. The Options Offer is primarily included for the purpose of section 708(8) and (11) of the Corporations Act to remove trading restrictions on the sale of Shares issued by the Company upon exercise of the Options.	Section 6.9

Item	Summary	Further information	
Who is eligible to participate in the Options Offer?	The Options Offer will only be extended to Clee Capital.	Section 6.9	
H. Use of Funds			
How will the proceeds of the the Mandate Funding Offer be used?	The Company intends to apply the funds raised under the Mandate Funding Offer (assuming Full Subscriptions, no Oversubscriptions) as follows:		Section 6.12
	Funds raised from the Mandate Funding Offer	\$2,000,000	
	Bizmoto Platform roll out and working capital	\$631,364	
	Bizmoto Platform sales and marketing campaign	\$350,000	
	Bank deposit required to underwrite services offered on the Platform	\$350,000	
	bizmoPay Loan Book	\$500,000	
	Costs of the offer	\$168,636	
	TOTAL	\$2,000,000	
	A detailed table settling out the proposed use of funds raised under this the Mandate Funding Offer is set out in Section 6.12.		
I. Additional information			
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Securities under the Mandate Funding Offer.	Section 6	
What are the tax implications of investing in Securities?	Shareholders may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Securities subscribed for under this Prospectus.	Section 6.5	

Item	Summary	Further information
Where can I find more information?	The tax consequences of any investment in Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Securities offered under this Prospectus. • By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. • By reviewing Peppermint's public announcements, which are accessible from ASX's website at www.asx.com.au under the code "PIL". • By visiting Peppermint's website at www.pepltd.com.au • By contacting the Company on +61 8 6255 5504. • By contacting the Company's Share Registry on +61 8 9323 2000.	

6. DETAILS OF THE OFFERS

6.1 The Offers

The Offers under this Prospectus consist of the Mandate Funding Offer, the Interim Funding Offer and the Options Offer.

6.2 The Mandate Funding Offer

Under the Mandate Funding Offer, the Company is inviting applications for a total of 250,000,000 Shares, through an offer of up to 200,000,000 Shares at an issue price of \$0.01 per Share to raise up to \$2,000,000 (with the ability to take oversubscriptions up to \$500,000 (50,000,000 Shares at an issue price of \$0.01 per Share)).

The Shares issued under the Mandate Funding Offer will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to Shares is set out in Section 14.2.

6.3 Minimum subscription

The minimum subscription under the Mandate Funding Offer is \$2,000,000 (200,000,000 Shares at an issue price of \$0.01 per Share) (**Full Subscription**).

If the Full Subscription has not been raised within four months after the date of this Prospectus, the Company will not issue any Shares and will repay all Application monies for the Shares within the timeframe prescribed under the Corporations Act, without interest.

6.4 Oversubscriptions

Oversubscriptions for a maximum of 50,000,000 Shares at an issue price of \$0.01 per Share to raise up to a maximum of an additional \$500,000 under the Mandate Funding Offer may be accepted.

6.5 Corporate Advisor

The Company has appointed Clee Capital as corporate advisor to the Mandate Funding Offer (**Corporate Advisor**). The Corporate Advisor will receive a fee, in cash, of 6% of the total amount raised under the Mandate Funding Offer upon completion of the Mandate Funding Offer. For further information in relation to the appointment of the Corporate Advisor, please refer to Section 13.1.

6.6 Underwritten

The Mandate Funding Offer is not underwritten.

6.7 Eligible participants

To participate in the Mandate Funding Offer, you must be a resident of Australia. See Section 7.10 for further details.

6.8 Quotation and trading

Application for quotation of all Shares issued under this Offer will be made to ASX no later than 7 days after the date of this Prospectus. See Section 7.8 for further details.

No Shares issued pursuant to the Mandate Funding Offer will be subject to any escrow requirement by the ASX.

6.9 The Additional Offers

In addition to the Mandate Funding Offer, under this Prospectus, the Company is also:

- (a) cleansing the previous issue of 50,000,000 Shares issued at an issue price of \$0.01 per Share to raise \$500,000 (which was completed in December 2020); and
- (b) making an offer of 40,000,000 Options to Clee Capital as follows:
 - (i) 20,000,000 Options exercisable at \$0.015 each; and
 - (ii) 20,000,000 Options exercisable at \$0.025 each,on or before the date which is 3 years from the date of the issue of the Options,

(together, the **Additional Offers**).

The primary purpose of the Additional Offers is to remove the need for an additional disclosure document to be issued upon:

- (a) the sale of any Shares issued under the Interim Funding Offer; and
- (b) the sale of any Shares that may be issued upon exercise of the Options issued under the Options Offer.

The Shares issued under the Interim Funding Offer will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to Shares is set out in Section 13.2.

The Options issued under the Options Offer will be issued on the terms and conditions set out in Section 14.3. The Company will not apply for quotation of the Options to be issued under the Options Offer.

The Options Offer will only be extended to Clee Capital. Issue of the Options under the Options Offer will occur immediately upon the issue of the Mandate Funding Offer Shares and relisting of the Company.

6.10 Conditional Offers

Completion of the Mandate Funding Offer and the Options Offer is conditional upon ASX granting approval for the Company to be re-admitted to the Official List (the **Condition**).

In the event that the Condition is not satisfied, the Mandate Funding Offer and the Options Offer will not proceed and the Company will repay all application monies within the time prescribed under the Corporations Act, without interest.

6.11 Purpose of the Offers

The primary purposes of the Offers are to:

- (a) enable Peppermint to raise funds to apply in the manner detailed in Section 6.12;
- (b) assist the Company to satisfy certain Reinstatement Conditions to enable the reinstatement of the Company's to trading on the Official List; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Mandate Funding Offer, or any Options that are to be issued under the Options Offer.

The Board believes that the funds raised from the Mandate Funding Offer, combined with existing funds, will provide the Company with sufficient working capital at anticipated expenditure levels to achieve the objectives as shown in the table in Section 6.4.

6.12 Use of Funds

The Company intends to apply funds raised from the Mandate Funding Offer, together with existing cash reserves, over the first two years following the reinstatement of the Company's securities to trading on the Official List of the ASX as follows:

Allocation of funds	Full Subscription (\$2,000,000)	Percentage of Funds (%)	Full Oversubscriptions Subscription (\$2,500,000)	Percentage of Funds (%)
Funds raised from the Mandate Funding	\$2,000,000	100%	\$2,500,000	100%
Bizmoto Platform roll out and working capital	\$631,364	32%	\$901,364	36%
Bizmoto Platform sales and marketing campaign	\$350,000	18%	\$450,000	18%
Bank deposit required to underwrite services offered on the Platform	\$350,000	18%	\$350,000	14%
bizmoPay Loan Book	\$500,000	25%	\$600,000	24%
Costs of the offer	\$168,636	8%	\$198,636	8%
TOTAL	\$2,000,000	100%	\$2,500,000	100%

In the event the Company raises more than the minimum subscription of \$2,000,000, but less than the maximum subscription of \$2,500,000, the additional funds raised will be first applied towards increased marketing and business development of the Peppermint Platform and for general working capital. On completion of the Offers, the Board believes that the Company will have sufficient working capital to achieve these objectives.

The above table is a statement of current intentions as of the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors (including the risk factors outlined in Section 8).

6.13 Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

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

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Mandate Funding Offer.

6.14 Applications

Applications for Securities under the Offers must be made using the relevant Application Form as follows:

- (a) completing a paper-based application using the Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Mandate Funding Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have received personally the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Mandate Funding Offer must be for a minimum of \$2,000 worth of Shares (200,000) Shares and thereafter in multiples of 50,000 and payment for the Shares must be made in full at the issue price of \$0.01 per Share.

Completed Application Forms and accompanying cheques (for this Offer only), made payable to "Peppermint Innovation Limited" and crossed "Not

Negotiable", must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date of the Mandate Funding Offer**, which is currently scheduled to occur on 2 February 2021.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY should be aware of their financial institutions cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Mandate Funding Offer. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Mandate Funding Offer early.

Applications under the Mandate Funding Offer must be accompanied by payment in full in Australian currency.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 8 6255 5504.

6.15 Issue of Securities and Allocation Policy

General

Subject to the Minimum Subscription being achieved and the satisfaction of each of the Reinstatement Conditions (which includes, the Minimum Subscription to the Mandate Funding Offer being reached and ASX granting conditional approval for the Company to be readmitted to the Official List), the issue of Shares under the Mandate Funding Offer will take place as soon as practicable after the Closing Date of the Mandate Funding Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Mandate Funding Offer

The allocation of Shares under the Mandate Funding Offer will be determined by the Board (in consultation with the Corporate Advisor) in their sole discretion in accordance with the allocation policy detailed above.

There is no guaranteed allocation of Shares under the Mandate Funding Offer.

The Board reserve the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date of the Mandate Funding Offer.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHES) holders will be mailed to applicants being issued Shares pursuant to the Mandate Funding Offer as soon as practicable after their issue.

The Company's decision on the number of Shares to be allocated to an Applicant will be final.

Defects in Applications

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

Interest

Pending the issue of the Shares or payment of refunds pursuant to the Mandate Funding Offer, all application monies will be held by the Company in trust for Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Quotation of Securities

The Company will apply for Official Quotation of the Shares issued under the Mandate Funding Offer within 7 days after the date of this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has received the approval of ASX to be re-admitted to the Official List (see Section 6.10). As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Securities and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

Clearing House Electronic Sub-Register System and Issuer Sponsorship

The Company participates in the Clearing House Electronic Sub-register System (CHES). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHES. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with holding statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Securities can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Security holders may request a holding statement at any other time, however a charge may be made for such additional statements.

Commissions Payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Corporate Advisor will be responsible for paying all commission that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Corporate Advisor under the Corporate Advisory Mandate.

Applicants outside Australia

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

No action has been taken to register or qualify the Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in order to accept any of the Offers.

If you are outside Australia, it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. This Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

The Offers do not and will not constitute an offer of Securities in the United States of America (**US**). Furthermore, no person ordinarily resident in the US is or will become permitted to submit an Application Form. If the Company believes that any Applicant is ordinarily resident in the US, or is acting on behalf of a person or entity that is ordinarily a resident of the US, the Company will reject that applicant's application.

Reinstatement Conditions

The Company is in a position to seek reinstatement of its Securities to Official Quotation. This reinstatement is subject to the discretion of the ASX. However, the Company has received confirmation from the ASX that it will, subject to satisfaction of the Reinstatement Conditions, allow reinstatement of the Company's Shares to Official Quotation.

The Reinstatement Conditions are set out in Schedule 1.

Enquiries

If you have any queries in relation to the Offers, please contact the Company Secretary on +61 8 6255 5504.

7. COMPANY OVERVIEW

7.1 Company Background

The Company is an Australian public company, which was incorporated on 13 June 2006 and after a reverse takeover, was re-admitted to the official list of the ASX on 23 November 2015.

The Company's primary focus is on the "Peppermint Platform", which is a mobile banking, payment, delivery and logistics, ecommerce and finance technology initially designed for banks, agents, associations and microfinance institutions. The Peppermint Platform provides access to mobile banking services to those who currently do not have (and without the Peppermint Platform, would otherwise not have) access to such services.

On 11 October 2019, the Company was suspended from trading its securities under ASX Listing Rule 17.3, due to a disclaimer of opinion in Peppermint's annual financial report for the financial year ended 30 June 2019. The Company has remained in suspension since that date.

Recently, the Company has:

- (a) entered into the Corporate Advisory Mandate with Clee Capital pursuant to which the Company engaged Clee Capital to assist with the Mandate Funding Offer the subject of this Prospectus;
- (b) raised funding under the Interim Funding Offer;
- (c) applied for and received conditional approval from the ASX to have the Company's Shares requoted subject to the Reinstatement Conditions being met; and
- (d) continued to work towards and meet the Reinstatement Conditions and develop and build the Peppermint App and the Peppermint Platform Solution,

to facilitate the reinstatement of the Company's securities to trading on the Official List.

7.2 The Peppermint Solution

Southeast Asia has a population of approximately 658,000,000 people. Approximately 70% of this population do not own a bank account and a large proportion do not have access to finance, banking, credit cards or other similar means of banking and finance, through the provision of which, their lives could be significantly enhanced.

Peppermint's immediate focus for distribution of the Peppermint Platform is the Philippines, the key reasons of which are as follows:

- (a) 70% of the population (being approximately 108 million people) are "unbanked", meaning they have extremely limited access to banking;

- (b) the average age of the population is 24 years of age, being an age which is particularly susceptible to a higher usage of technology and which the Company therefore believes would benefit significantly from the Peppermint Platform;
- (c) 90% of the population do not have a credit score, which is reflective of their underutilisation of, and access to, bank accounts and banking services;
- (d) there are approximately 118 mobile phones for every 100 people, which is considered a particularly low ratio in a global context;
- (e) the predominant form of doing business is via cash payments rather than alternative cashless forms of payment; and
- (f) there is an estimated US\$920 billion (AUD\$1265 billion) in annual payment value across the four business sectors that Peppermint is focused on.

In recognition of the “underbanked” nature of the Philippines population, the Company’s mission is to provide members of this unsupported community a “hand up” and assist them by:

- (g) providing access to financial tools on a digital platform via provision of a mobile banking application (the App) on their mobile phones;
- (h) enabling them to make payments and access services online without the use of a bank or credit card;
- (i) providing them with a platform through which they will be able to conduct business (on an appropriate scale for their needs, and in a manner and form which they can understand, operate and benefit from); and
- (j) building an alternative path to finance to be accessed and repaid through the App.

There is a clearly established trend away from cash being the predominant method of payment, and towards the increased usage of cashless and mobile forms of banking. This is due to factors such as cash payments resulting in significant cash leakage (through theft and loss) and more recently, the increased awareness of the importance and advantages of cashless banking in light of the circumstances surrounding COVID-19.

Without access to alternative methods of payment to cash, people (including a large proportion of the population of the Philippines) are unable to experience the rapidly expanding and convenient world of online ecommerce and services. In recognition of this, Peppermint aims to deliver financial inclusion through provision of the App.

7.3 The App

The Company has developed and deployed the App and the Peppermint Platform under the brand name “Bizmoto” (meaning “my business” in Filipino). Through the Peppermint Platform and the App, a local Filipino agent or his customer is able to:

- (a) access eCommerce, delivery and logistics (where accredited riders are available on-demand);
- (b) make bill payments and cash transfers; and
- (c) e-load mobile phones or make QR code payments to purchase products.

Each of the above services are able to be accessed via the Bizmoto App and connected Bizmoto wallet on the registered agents mobile phone. In addition, Peppermint is now working towards the addition of micro-enterprise lending and non-bank financial services to its expanding network of agents and riders. The Company believes that this advancement will provide further impetus for Bizmoto, an ecosystem of services readily scalable and targeted at developing world countries in the ASEAN region.

7.4 Accomplishments and Awards

Since incorporation, and in particular in the past 24 months, Peppermint (primarily through the provision of the Peppermint Platform) has experienced significant growth and success in being recognised as an upcoming technology provider. Set out below are several of the key accomplishments and awards, which the Company believes are strong indicators of Peppermint's potential for future success.

- (a) Peppermint is an established mobile banking app technology provider in the Philippines, already providing a white-label mobile banking and payments app with a tier-1 major Filipino bank;
- (b) Peppermint has a long-standing, respected and continuing engagement with the Central Bank of the Philippines and major regulatory bodies;
- (c) Peppermint is the chosen technology partner and mobile banking platform provider for the largest interbank network and single ATM switch operator in the Philippines, Banknet, to whose network banks Peppermint has now started rolling out its mobile banking solution;
- (d) on October 12, 2016 Peppermint was named as one of the Top 24 Fintech start-up's by Forbes Magazine Philippines;
- (e) on 24 May 2017 in Sydney, Peppermint was named as the winner of "Fintech Australia Finnie" for excellence in Financial Inclusion by Fintech Australia; and
- (f) in 2019 Peppermint was chosen by a panel of experts in Washington DC as one of the inaugural "Inclusive Fintech 50" (early-stage Fintech companies that demonstrated the power of financial technology to expand access, usage and quality of financial services in advanced and emerging markets) from a pool of 600 eligible candidates worldwide (www.inclusivefintech50.com).

7.5 Key Competitors

The Company's key competitors are as follows:

- (a) "Grab" – which was founded in Malaysia in 2011 as Grab Taxi App "My Teski" growing to revenues of USD1 billion by 2018 with 160 million App downloads offering ride sharing, delivery & logistics, financial services managed by Grab m-wallet. Has raised USD7.5 billion and is valued at USD14 billion; and
- (b) "Go-Jek" – 2010 launched in Jakarta with 20 riders. 2015 the app logged 100 million transactions, 2018 processed more than USD9 billion in transaction value, 2019 q1 30 million downloads and in 2020 2 million riders, 400,000 merchants, 18 mobile app on demand services managed by the Go-Jek m-wallet. Raised USD4.5 billion and valued at USD11 billion.

7.6 Operational Changes and Key Objectives

Recently, the Company has focussed its recent operations on the development, commercialisation and deployment of the Peppermint Platform in the Philippines.

The Company primarily operates in the mobile banking, payment and remittance industries. For management purposes, the Company is organised into business units based on its services and has three reportable segments. These segments are as follows:

- (a) mobile banking and payment services (presently operating in the Philippines);
- (b) international remittances (recently established in Australia); and
- (c) corporate and head office.

In addition to the above highlights in respect of the Company's key products, the Company:

- (a) is currently deploying a targeted marketing campaign to build on current momentum;
- (b) is currently developing a mobile app launched by Cooperative Health Management Federation (CHMF), which provides medical-related information to its 41,000 members;
- (c) has teamed up with BancNet, the largest interbank network of local and offshore banks in the Philippines;
- (d) has progressed the roll-out of mobile banking technology and services to BancNet member outsourcing banks;
- (e) has signed memorandums of understanding with:
 - (i) VPS Motors India (one of the largest motorcycle manufacturers in the world), to explore the potential to introduce their products to the Bizmoto network; and
 - (ii) Vleppo, to explore the potential Blockchain based functionality to compliment the Company's established technology platform (for further details, refer to the Company website, which is available at <https://vleppo.com>).

Further details in respect of the above operational highlights are set out in the Company's quarterly reports. In particular, please refer to the most recent quarterly report for the period ended 30 September 2020 for further details.

7.7 Business model

Moving forward, the Company's proposed business model is to:

- (a) continue to develop the Platform by expanding on the range of activities and service offerings to attract more agents and customers into using the Bizmoto App and Platform;
- (b) as part of the service offering, continue the development of the bizmoPay microfinance module on the Bizmoto Platform;
- (c) continue deployment of the Platform in the Philippines and the roll-out of mobile banking technology and services to BancNet member outsourcing banks, based on the use and deployment of the Platform to now with leading commercial banks;
- (d) leverage its commercialisation strategy in the Philippines to further develop, commercialise and deploy the Platform across Asia and beyond; and
- (e) build on existing relationships to develop a commercial presence in Asia and beyond.

7.8 Key Dependencies

The success of the Company's business strategy (set out above) is dependent on the following factors:

- (a) reinstatement of the Company's securities to trading on the Official List and completion of the Mandate Funding Offer;
- (b) continued development of the Company's platform through the expansion of the range of activities and service offerings to attract more agents and customers into using the Bizmoto App and Platform;
- (c) continued development of the bizmoPay microfinance module on the Bizmoto Platform;
- (d) the strengthening of existing business relationships, and identification of new business relationships, with OEMs to secure future sales orders;
- (e) continued deployment of the Platform in the Philippines and the roll-out of mobile banking technology and services to BancNet member outsourcing banks, based on the use and deployment of the Platform to now with leading commercial banks;
- (f) the Company leveraging its commercialisation strategy in the Philippines to further develop, commercialise and deploy the Platform across Asia and beyond; and

- (g) the Company building on existing relationships to develop a commercial presence in Asia and beyond.

7.9 Peppermint Team

The Board is currently comprised of the following directors and key management personnel:

Managing Director & Chief Executive Officer – Christopher Kain

Christopher is a practised company director with over 15 years' experience in finance and investment markets and is accomplished in identifying business opportunities and executing commercial strategies for the benefit of both stakeholders and investors. Christopher has specific expertise in investment evaluation, public and private equity raising programs, debt funding strategies and, project development and financing.

Christopher has held advisory and development roles with institutions such as Barclays Capital and Credit Suisse First Boston in London, National Australia Bank and Macquarie Bank in Australia where he worked across institutional, wholesale and retail investment and financial markets.

Chairman, Executive Director and Company Secretary – Anthony Kain

Former special counsel in local and national law firms, Anthony has over 25 years' experience working in Australian capital markets. He has played a key role in the formation of numerous privately owned and publicly listed companies and has an in-depth understanding of intellectual property and its commercialisation. He also has considerable experience as a director and a Managing Director of Australian Securities Exchange listed companies operating foreign assets.

Anthony has held previous advisory roles on equity raising, joint ventures and mergers and acquisitions through his exposure to a diverse range of international and national development opportunities working with technical teams primarily in the energy, motor vehicle and resources sector.

Non-Executive Director – Matthew Cahill

Matthew is an accomplished technical director with over 16 years' experience in the Web industry working across a broad range of technologies. He has been involved in roles such as management, strategy, team lead, business analysis, application architecture and development.

As technical director at Vivid Group (now Isobar of Dentsu Aegis Network), Matthew has worked with some of Australia's largest brands, including Sunbeam, JB HiFi, Echo Entertainment, Fusion Retail Brands, Coates Hire and many more. Matthew's responsibilities included guiding the technical direction of the company, along with leadership of the large development teams that spanned multiple disciplines and technologies.

Chief Operating Officer and General Manager – Rosarito Carrillo

Rosarito has experience and expertise in the fields of sectorial analysis and development, global business relations, project management, advocacy and policy review. She has also managed the business development and advocacy

relations for Litton Mills, Inc., with representations made in ASEAN and in the US. Rosarito has previously held the position of Philippine Associate Director for the Confederation of Garment Exporters of the Philippines (CONGEP), where she handled industry technical development, strategic partnership and advocacy programs supporting sectorial growth.

Rosarito has also worked as the Chief of Corporate Planning for the Centre for International Trade Expositions and Missions (CITEM) under the Department of Trade and Industry (DTI), with previous years engaged in integrated industry development projects and international marketing/trade promotions, organised and coordinated in alliance with local and international private and government stakeholders.

Chief Technical Officer and Marketing Manager – Adrian Ocampo

Adrian was one of the co-founders who helped build out the mobile banking and payment technology that Peppermint licenced to begin its development of the Peppermint platform. Before then, Adrian spent 6 years as president of an IT consultancy company, Arowai IT Solutions. During his tenure, he and his team of technologists were engaged by Globe Telecom to build Globe's G-Cash mobile remittance platform in 2006.

The team continued to be engaged by Globe until Adrian left in 2009 to co-found TelUPay. He also served the JCI Makati Philippines for three years as member of the board of directors and vice-president.

Core Developer Technical Operations and IT Team Lead – Chris Leathley

Chris has over 30 years of programming experience. Programming everything from professional computer games, financial systems for banks and government and smart card systems for mass transit systems in Singapore and San Francisco.

Chris has worked on many platforms and is always working to use the very latest technology to its best advantage. He currently has code running millions of times a day all over the world and has worked on several Lottery systems providing his expertise in system development to provide secure and maintainable infrastructure able to process thousands of transactions concurrently. Chris has also worked with MedicAlert to securely hold Medical records for their members and cross communication with ambulance services.

Upon Reinstatement, the Company does not propose to make any immediate changes to the composition of the Board as set out above. However, as the Company and the Peppermint Platform continues to develop, the Company will look to supplement the current Board with valuable expertise as and when required.

7.10 Funding

The funding for the Company's short to medium term activities will be generated from the offer of Shares pursuant to the Mandate Funding Offer made under this Prospectus (see Section 6.2). As and when further funds are required, the Company expects to raise additional capital from the issue of Securities.

7.11 Capital Structure

The capital structure of the Company following completion of the Offers (at both Minimum Subscription and Maximum Subscription) is summarised below.

Shares ¹	Number (Full Subscription) ²	Number (Oversubscriptions) ³
Shares currently on issue	1,133,504,463	1,133,504,463
Shares to be issued under the Mandate Funding Offer	200,000,000	250,000,000
Shares to be issued under the Options Offer	Nil	Nil
Total Shares on issue on completion of the Offers	1,333,504,463	1,383,504,463

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 14.2 of this Prospectus.
2. This assumes the Mandate Funding Offer is fully subscribed (i.e. 200,000,000 Shares), no oversubscriptions are received, and no Options are exercised.
3. This assumes maximum oversubscriptions are received and accepted under the Mandate Funding Offer (i.e. 250,000,000 Shares) and no Options are exercised.

Options

Options	Number
Unlisted Options exercisable at \$0.014 each on or before 20 May 2021	30,000,000
Unlisted Options exercisable at \$0.01 each on or before 30 May 2021	35,000,000
Unlisted Options exercisable at \$0.01 each on or before 31 March 2021	39,000,000
Unlisted Options exercisable at \$0.01 each on or before 31 December 2021	35,000,000
Unlisted Options exercisable at \$0.01 each, on or before 31 March 2021 (in respect of which the Company obtained for the issue at the recent AGM held on 25 January 2021)	40,500,000
Unlisted Options, being free attaching options to previously issued placement Shares, exercisable at \$0.01 each, on or before 31 December 2021 (in respect of which the Company obtained for the issue at the recent AGM held on 25 January 2021)	15,000,000
Options to be issued under the Options Offer	40,000,000
Total Options on issue on completion of the Offers	234,500,000
Convertible Notes	Number
Convertible Notes currently on issue	1,673,358 ¹
Convertible Notes offered pursuant to the Offer	Nil

Total Convertible Notes on issue after completion of the Offer	1,673,358¹
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Notes:

1. As at the date of this prospectus, the Convertible Notes have a face value of \$1 per Convertible Note. The Convertible Notes may convert into a maximum of 167,335,800 Shares upon conversion by the noteholder at \$0.01 per Share or as the parties otherwise agree in writing.

7.12 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue as at the date of this Prospectus are set out in the respective table below.

Shareholder	Shares	%
Eagle Brilliant Holdings Ltd	57,247,355	5.05
Chris Kain	110,325,321	9.7
Anthony Kain	93,991,416	8.3
David Nasir Yusoff	70,562,804	6.2
Adrian Paul	97,368,630	8.6

On completion of the Mandate Funding Offer and the Options Offer (assuming minimum subscription under This Offer), the following Shareholders are expected to hold 5% or more of the total number of Shares on issue:

% (assuming Full subscription) Shareholder	Shares	%
Christopher Kain	110,325,321	8.3
Anthony Kain	93,991,416	6.8
David Nasir Yusoff	70,562,804	5.1
Adrian Paul	97,368,630	7.3

7.13 Restricted Securities

Upon reinstatement to trading (which is subject to ASX's discretion and approval), no Shares or Options will be classified by ASX as restricted securities and will be required to be held in escrow.

Further, the Company advises Shareholders that no voluntary escrow arrangements have been entered into in respect of any of Securities on issue or to be issued by the Company.

7.14 Dividend Policy

It is anticipated that, upon Reinstatement, Peppermint will focus on increasing commercial deployment of the Peppermint Platform and developing and marketing the Peppermint Platform throughout the Philippines and beyond. The Company does not expect to declare any dividends during this period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7.15 Top 20 Shareholders

The Company will announce to the ASX details of its top 20 Shareholders (following completion of this Offer) prior to the Shares commencing trading on ASX.

8. RISK FACTORS

8.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

8.2 Company Specific Risks

(a) Reinstatement Risk

The Company is required to satisfy the Reinstatement Conditions for reinstatement of the Company's Shares to Official Quotation on the ASX (details of the Reinstatement Conditions are set out in Schedule 1 of this Prospectus). There is a risk that the Company may not be able to meet the Reinstatement Conditions and should this occur, the Company will be removed from trading on the Official List and the Company's Securities will be delisted. Following a delisting, there may be little to no market for the Company's Shares. In this instance, the Company would immediately withdraw the Offers.

(b) Acquisitions and Partnerships

The Company plans to investigate and consider potential acquisitions and opportunities to enter into new partnerships that are consistent with its stated growth strategy. The successful implementation of acquisitions will depend on a range of factors including funding arrangements and technical integration. The Company may also enter into partnerships in the future.

Subject to the relevant partnerships, the Company cannot control the actions of joint venture partners and therefore cannot guarantee that partnerships will be operated or managed in accordance with the Company's preferred direction, strategy or risk management parameters. To the extent that acquisitions or partnership arrangements are not successfully integrated with the Company's existing business lines, the growth and financial performance of the Company could be

affected and, despite the terms of the relevant agreements, it may be impractical to enforce all of the Company's rights (particularly if the partnerships operate overseas).

(c) **Contracts**

The Company may enter agreements with counterparties. In such cases, there is the risk that counterparties default on their obligations, which may in turn necessitate legal action. This could result in significant financial loss for the Company. In some cases, the contracts that the Company has entered into may be governed in jurisdictions outside Australia. It may be more difficult to resolve disputes in such jurisdictions than it would be under Australian law. As such, the Company cannot ensure that an appropriate legal resolution will be achieved.

(d) **Intellectual Property Rights**

The Company owns the intellectual property now being used by agents and commercial banks in the Philippines. While the Company has systems and procedures in place to protect its content and information, unauthorised use of its intellectual property could have a negative impact on its operations and brand. The Company also operates in a market where claims of infringement of intellectual property are common. There is a risk of third parties making claims of infringement of intellectual property against the Company. This could result in significant legal costs and negatively impact operations.

(e) **Operations and Management of Potential Growth**

The Company believes that it has attracted a highly skilled and experienced management team. However, the Company is a complex and dynamic business. The Company is working in a fast moving environment, engaged in business with multiple partners and operating in numerous geographies around the world. Navigating these issues while effectively dealing with prioritisation, timing, execution, cost control, and other business decisions is likely to provide real challenges for its small management team.

There can be no guarantee that successful execution of the Company's strategy will make it profitable or commercially viable. Current product development and marketing strategies may not have the intended effect of increasing customers. Similarly, strategies to create value from customers of the application may not yield the expected revenue.

(f) **Product Development**

The Company believes that it provides a meaningful and engaging offering. Moreover, in addition to its current products and services, the Company is planning to develop new products to suit the mobile banking, payments and remittance business it is building. There is also the risk that delays in product development, cost overruns, or difficulties in delivering new features will negatively impact the Company and its business.

(g) **Consistency of Supply**

Product shortages and prolonged delays in delivery may jeopardise the Company's ability to supply tangible products and therefore fulfil contractual obligations to customers and distributors. The Company will continually adapt its inventory control processes as necessary to mitigate the effect of any supply shortages that may be encountered.

(h) **Maintenance of Reputation and Brand**

Usage and engagement with the Company products and services have the potential to be significantly affected by popular consumer sentiment. As such, the Company's exposure to public relations issues and threats to its reputation and brand name may be greater than for other businesses.

(i) **Dependence on other technological providers**

As a mobile banking and payment application business, the Company will maintain and rely extensively on information technology systems and network infrastructures for the effective operation of its business. As with any product that is dependent on technological systems if the integrity of Peppermint's products fails to meet its clients' expectations (whether or not through any fault of the Company), the Company's reputation could suffer.

PEP is heavily reliant on the operations of telecommunications networks for the provision of PEP's services to the marketplace concerned. Should any of these relationships or agreements terminate or become strained for any reason that would have a negative impact on our operations and business development plans.

(j) **Coronavirus (COVID-19)**

The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.

(k) **Insurance**

While the Company has sought to be insured in a way that is in keeping with industry practices, there is the risk of an event occurring that is not fully covered by insurance. This may cause significant financial and material loss to the Company. Furthermore, there is the risk that the Company's insurer fails to respect a legitimate claim made by the Company.

(l) **Reliance on Core Information Technology, Other Systems and Security**

As a mobile banking and payment application business, the Company will maintain and rely extensively on information technology systems and network infrastructures for the effective operation of its business. It is also dependent on reliable telecommunication and information technology provision by third parties. As with any product that is dependent on technological systems if the integrity of the Company's products fails to meet its clients' expectations (whether or not through any fault of the Company), the Company's reputation could suffer.

Techniques used to gain unauthorised access to private networks are constantly evolving and the Company may be unable to anticipate or prevent unauthorised access to data pertaining to its customers, which could include credit card and debit card information, bank account details or other personally identifiable information. The Company's service is vulnerable to computer viruses, phishing attacks or other attacks and similar disruptions from unauthorized use of its systems, any of which could lead to system interruptions, delays or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information. If an actual or perceived breach of security occurs of the Company's systems, it may face civil liability and public perception of our security measures could be diminished, either of which would negatively affect the Company's ability to attract or maintain customers. The Company also would be required to expend significant resources to mitigate any such breach of security and to address related matters.

(m) **International Expansion**

The Company's products and services are used in the Philippines but in the future intends to expand into other countries. It may therefore likely be subject to multiple overseas jurisdictions. In each different jurisdiction there may be increased compliance and operating costs. If and when it becomes necessary to have a local presence in overseas markets there will be increased overheads as well as development and marketing costs. There is no guarantee such expansions will be successful and increased costs may adversely impact the profitability and working capital of the Company.

(n) **Unforeseen Expenditure**

If the Company's expenses are greater than anticipated due to fluctuation in market prices or any factors which have not been taken into account during the development of this Prospectus, then it will have

fewer funds with which to pursue its plan of operations and financing requirements will be greater than anticipated.

(o) **Ability to attract and retain skilled personnel**

The Company's success depends, to a large extent, on its ability to attract and retain appropriately skilled personnel. The Company is currently operated and managed by a small group of select team members. The departure, either temporary or permanent, of those key staff, or any delay in their replacement, could adversely affect The Company's performance. Similarly, as a company seeking to grow and expand, the Company's success in securing new talent will be critical going forward and may be constrained for a number of reasons. The attraction and retention of key staff is determined by a broad range of internal and external factors, some more or less within the Company's control, including, but not limited to, issues concerning: personal or health issues, company performance, public relations and branding, logistics and timing, the availability of IT staff in the market and macro-economic factors.

Additionally, the Company relies on offshore team members. In the event that offshore employees cease to continue working with the Company, this could cause significant disruption to the operations of the business and would require the Company to find alternative employees. Finding alternative employees would take time in recruiting and training them on the product and getting them to a professional level where they could assist in running the operations of the Company business and help to execute the Company business plan. This would have a significant impact on the costs of running the Company business and would likely delay the Company from achieving its objectives and business plan.

(p) **Going concern risk**

The Company's ability to continue as a going concern is dependent upon obtaining financing for planned operations. There can be no assurance that those funds will be raised, or if the Company is able to raise funds that such funds will be in the amounts required or on terms favourable to the Company.

8.3 Industry specific

(a) **Competition from Existing Market Players**

The Company may face competition from existing market players who may, for example, undertake aggressive marketing campaigns, product innovation or price discounting.

8.4 General risks

(a) **Limited Operating History**

The business has had limited operations and revenues to date in which potential investors can evaluate the business. Investors must consider all risks associated with and frequently encountered by companies

operating in the same space, particularly companies involved in generally new, rapidly evolving markets.

(b) **Loss of key clients**

The business currently operates with a few key client relationships. The Company is expected to maintain current and establish new relationships through the continued enhancement of its products and solutions. In the event that these established relationships diminish or fail (including through a termination event arising under an agreement) the resulting effect may negatively impact the operating results of the Company.

(c) **Shareholder Dilution**

In the future, the Company may elect to issue Shares or engage in fundraisings and also to fund, or raise proceeds, for acquisitions. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such Shares and fundraisings.

(d) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(e) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(f) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(g) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The funds raised under the Mandate Funding Offer are considered sufficient to meet the objectives of the Company. However, the Company's capital requirements depend on numerous factors and the Company may require further financing in addition to amounts raised under the Mandate Funding Offer in the event costs exceed the Company's estimates, to effectively implement the Company's business and operational plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities or to meet any unanticipated liabilities or expenses, which the Company may incur.

Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(h) **Market Acceptance**

The global marketplace for most products is ever changing due to new technologies, new products, changes in preferences, changes in regulation and other factors influencing market acceptance or market rejection. This market volatility and risk exists despite the best endeavours of market research, promotion and sales and licensing campaigns.

Accordingly, there is a risk that the Company may not be able to commercialise its products, which could adversely impact the Company's operations

(i) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(j) **Foreign Exchange Rate Risks**

The Company expects to derive a majority of its revenue and incur a major part of its expenses from its operations in the Philippines, in Philippine Pesos. Accordingly, changes in the exchange rate between the Philippine Peso and the Australian dollar would be expected to have a direct effect on the performance of the Company.

(k) **Legal Environment and Sovereign Risk**

The Company currently conducts its operations in the Philippines with intentions to develop its business through Asia, Europe and through other parts of the world in future.

While Australia is a stable and developed legal environment, there are still a range of sovereign risks that may adversely affect the performance of the Company. These include, but are not limited to changes to privacy, taxation, accounting, employment, licensing, exchange control or other legislation.

Particularly, over recent years, there has been an increased regulatory and public focus on the use of private information, especially how private information is collected and used for commercial purposes. Any further changes to laws and regulations governing the use of this information could result in an adverse impact on the markets in which the Company operates and, in its business, including its forecast revenues, profit margins, and compliance costs.

The Company's products and services are also used in numerous other countries and will be subject to the local laws and regulations where they apply. Some of the countries in which the Company's products and services are used represent emerging markets and/or less stable legal environments. This may involve risks related to the regularity, speed, transparency and expectations surrounding Government action, ease of gaining fair representation in court and clarity and consistency of the legal framework.

Working in changing, complex and multiple regulatory environments involves a set of risks. These include the risk that the Company may fail to comply with laws or regulations or that laws or regulations may have unintended consequences or are open to interpretations that increase the risk of non-compliance. In addition, there is a risk that Peppermint may fail to implement procedures within the statutory timeframes to ensure that it can provide services which comply with the introduction of these new laws and regulations.

Any substantial failure by the Company to comply with applicable laws and regulations could result in cessation of part or all of its operations, restriction on its ability to carry out operations, fines, penalties or other liabilities to customers, suppliers or third parties. Compliance failure could also damage the Company's reputation and reduce the attractiveness of its products and services.

(l) **Changes to Government Policies and Legislative Changes**

Government policy and legislative changes which are outside the control of the Company may have a negative impact on the financial performance of the Company. This risk factor applies to government policy and legislative changes in the Philippine and in Australia.

(m) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(n) **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

9. BOARD, MANAGEMENT, INTERESTS AND CORPORATE GOVERNANCE

The Board is currently comprised of the following Directors:

- (a) **Mr Christopher Kain** - Managing Director and Chief Executive Officer;
- (b) **Mr Anthony Kain** – Chairman, Company Secretary and Executive Director; and
- (c) **Mr Matthew Cahill** - Non-Executive Director.

Refer above to Section 7.9 above for profiles of each of the above Directors.

The Company does not propose to make any changes to the Board upon re-instatement of the Company's securities to the Official List.

9.2 Disclosure of Interests

Remuneration

Name	Remuneration for the year ending 30 June 2021	Remuneration for the year ended 30 June 2020	Remuneration for the year ended 30 June 2019
Director¹			
Christopher Kain	\$305,317 ¹	\$303,639 ²	\$303,665 ³
Anthony Kain	\$230,428 ⁴	\$229,162 ⁵	\$229,181 ⁶
Matthew Cahill	\$34,564 ⁷	\$36,299 ⁸	\$52,606 ⁹

Notes:

1. Comprising \$265,000 in directors' salary/fees, \$15,142 in non-monetary benefits (directors' and officers' insurance) and \$25,175 in post-employment benefits.
2. Comprising \$265,000 in directors' salary/fees, \$13,464 in non-monetary benefits (directors' and officers' insurance) and \$25,175 in post-employment benefits.
3. Comprising \$265,000 in directors' salary/fees, \$13,490 in non-monetary benefits (directors' and officers' insurance) and \$25,175 in post-employment benefits.
4. Comprising \$200,000 in directors' salary/fees, \$11,428 in non-monetary benefits (directors' and officers' insurance) and \$19,000 in post-employment benefits.
5. Comprising \$200,000 in directors' salary/fees, \$10,162 in non-monetary benefits (directors' and officers' insurance) and \$19,000 in post-employment benefits.
6. Comprising \$200,000 in directors' salary/fees, \$10,181 in non-monetary benefits (directors' and officers' insurance) and \$19,000 in post-employment benefits.
7. Comprising \$30,000 in directors' salary/fees, \$1,714 in non-monetary benefits (directors' and officers' insurance) and \$2,850 in post-employment benefits.
8. Comprising \$31,839 in directors' salary/fees, \$1,610 in non-monetary benefits (directors' and officers' insurance) and \$2,850 in post-employment benefits.
9. Comprising \$47,419 in directors' salary/fees, \$2,337 in non-monetary benefits (directors' and officers' insurance) and \$2,850 in post-employment benefits.

Relevant interests in securities

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors have relevant interests in Securities as set out in the table below:

Director	Shares	Voting Power
Anthony Kain ¹	93,991,416 ¹	8.29%
Christopher Kain ²	110,325,321 ²	9.73%
Matthew Cahill ³	6,437,768 ³	0.58%

Notes:

1. Comprising of 86,479,948 Shares held by Cicak Pty Ltd (as trustee for the Creative Technology Trust) of which Mr A Kain is a sole director and shareholder, 4,936,361 Shares held by Rancher Investments Pty Ltd (as trustee for the Box 4 Super Fund) of which Mr A Kain is a sole director and shareholder and 2,575,107 Shares held directly by Mr A Kain.
2. Comprising of 107,250,214 Shares held by Ohka Pty Ltd of which Mr C Kain is a sole director and shareholder, 500,001 Shares held by Fich Pty Ltd (as trustee for The Kain Super Fund) of which Mr C Kain is a sole director and controller, and 2,575,107 Shares held directly by Mr C Kain personally.
3. 6,437,768 Shares held by Digital Domain Consulting Pty Ltd, an entity controlled by Mr Cahill.

Following the successful completion of the Mandate Funding Offer (assuming Full Subscription), the Directors will have relevant interests in Securities as set out in the table below:

	Shares	Voting Power
Anthony Kain ³	93,991,416 ²	7.05%
Christopher Kain ⁴	110,325,321 ³	8.27%
Matthew Cahill ⁵	6,437,768 ⁴	0.48%

Notes:

1. The voting power above is calculated on an undiluted basis and on the basis of there being 1,133,504,463 Shares being on issue upon completion of the Mandate Funding Offer. This assumes no additional Shares are issued (i.e. no oversubscriptions) and the minimum subscription is raised under the Mandate Funding Offer.
2. Includes Shares held by Anthony Kain and Cicak Pty Ltd (a company controlled by Anthony Kain) and his Super Fund.
3. Includes Shares held by Christopher Kain and OHKA Pty Ltd (a company controlled by Christopher Kain) and his Super Fund.
4. Matthew Cahill holds these Shares through his controlled entity, Digital Domain Consulting Pty Ltd.

9.3 Remuneration

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. Currently the aggregate remuneration for Non-Executive Directors shall be no more than \$300,000.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

9.4 Key Management Personnel

The Key Senior Management of the Company are the individuals described in the Peppermint Team above, namely:

- (a) Mr Christopher Kain (Chief Executive Officer and Managing Director);
- (b) Mr Anthony Kain (Executive Director);
- (c) Rosarito Carrillo (Chief Operating Officer and General Manager);
- (d) Adrian Ocampo (Chief Technical Officer and Marketing Manager); and
- (e) Chris Leathley (Core Developer Technical Operations and IT Team Lead).

Summaries of the agreements pursuant to which the Company engaged the above personnel are included in Section 13 of this Prospectus.

The Company is aware of the need to have sufficient management to properly supervise the business operation of the Company, and the Board will continually monitor the management roles in the Company.

9.5 Deeds of indemnity, insurance and access

The Company has deeds of indemnity, insurance and access with each of the Directors. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions). The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the Board in certain circumstances.

10. FINANCIAL INFORMATION

10.1 Introduction

This section contains the statutory historical financial information and a pro forma statement of financial position of the Company and its controlled entities (**Financial Information**) that the Directors consider relevant to investors. The Financial Information in this section comprises:

- (a) Statutory consolidated statements of profit and loss and other comprehensive income of the Company for the three years ended 30 June 2020;
- (b) Statutory consolidated cash flow statements of the Company for the three years ended 30 June 2020; and
- (c) Statutory and pro forma consolidated statement of financial position as at 30 June 2020.

The information in this section 10 should be read in conjunction with the risk factors described in section 8, the description of the use of the proceeds of the Mandate Funding Offer in section 6.12 and other information contained in this Prospectus.

10.2 Basis of preparation and presentation of the Financial Information

The statutory historical financial information has been extracted from the Company's consolidated financial statements for the three years ended 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards.

RSM Australia Partners issued an unmodified audit opinion on the financial statements for the year ended 30 June 2020.

RSM Australia Partners issued a disclaimer of audit opinion on the financial statements for the year ended 30 June 2019, on the basis that it was unable to obtain sufficient appropriate evidence with respect to:

- (a) the completeness of liabilities and contingencies associated with two controlled entities in the Republic of Zambia; and
- (b) the ability of the Group to obtain the additional funding required to continue as a going concern.

RSM Australia Partners issued a qualified audit opinion on the financial statements for the year ended 30 June 2018, with respect to the completeness of liabilities and contingencies associated with the two controlled entities in the Republic of Zambia. These entities have since been divested by the Company during the year ended 30 June 2020.

As the Company required additional funding to continue its planned activities, the audit report on the financial statements for the year ended 30 June 2020 included an emphasis of matter in relation to material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, however the audit opinion was not modified in this regard. The Directors are of the view that, following receipt of the proceeds of the Mandate Funding Offer,

the Company will have sufficient funding to pursue these activities and continue as a going concern.

The pro forma statement of financial position has been derived from the statutory historical statement of financial position as at 30 June 2020 and includes pro forma adjustments for certain subsequent events and transactions associated with the Offers, as if those events and transactions had occurred at 30 June 2020.

The Financial Information has been prepared and is presented in accordance with the recognition and measurement principles of the Australian Accounting Standards issued by the Australian Accounting Standards Board, which are consistent with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board, and with the significant accounting policies set out in Section 10.7.

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 Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. The Financial Information has been reviewed by RSM Corporate Australia Pty Ltd in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*. A copy of this report, which includes an explanation of the scope and limitations of the Investigating Accountant's work, is set out in section 11.

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

10.3 Historical Statements of Comprehensive Income

The table below sets out the Company's consolidated statements of profit and loss and other comprehensive income for the three years ended 30 June 2020.

	Year Ended 30-Jun-18 Audited \$	Year Ended 30-Jun-19 Audited \$	Year Ended 30-Jun-20 Audited \$
Revenue	887,981	681,327	2,790,981
Cost of sales	(660,937)	(572,001)	(2,649,416)
Gross profit	227,044	109,326	141,565
Other income	20,454	123	712,601
Administration expenses	(1,982,753)	(2,096,856)	(1,875,592)
Finance costs	(93)	(99,776)	(446,512)
Fair value adjustments	-	28,397	(223,562)
Impairment	(8,000)	-	-
Share based payment expense	-	(84,000)	-
Loss before income tax	(1,743,348)	(2,142,786)	(1,691,500)
Income tax expense	-	-	-
Loss for the year	(1,743,348)	(2,142,786)	(1,691,500)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	(1,743,348)	(2,142,786)	(1,691,500)

Notes:

1. Other income in the year ended 30 June 2020 included proceeds of \$650,000 arising from the sale of Zambian copper exploration licences and government COVID-19 stimulus payments of \$62,501.
2. Finance costs include notional and accrued interest on convertible notes of \$94,994 in the year ended 30 June 2019 and \$435,410 in the year ended 30 June 2020.
3. The fair value adjustments in the years ended 30 June 2019 and 30 June 2020 relate to the value of conversion rights attaching to convertible loans, which are recognised as a derivative liability and revalued at each reporting date, and (in the year ended 30 June 2020) to the restructuring of the terms of the convertible loan notes.
4. The share-based payment expense of \$84,000 in the year ended 30 June 2019 comprised the issue of shares to a consultant for corporate consultancy services.

10.4 Historical Statements of Cash Flows

The table below sets out the Company's consolidated statements of cash flow for the three years ended 30 June 2020.

	Year Ended 30-Jun-18 Audited \$	Year Ended 30-Jun-19 Audited \$	Year Ended 30-Jun-20 Audited \$
Cash flows from operating activities			
Receipts from customers	960,997	687,504	2,820,461
Payments to suppliers and employees	(2,564,146)	(2,243,091)	(4,489,325)
Government grants	-	-	19,633
Interest received	454	123	101
Finance costs paid	-	-	(11,102)
Net cash used in operating activities	(1,602,695)	(1,555,464)	(1,660,232)
Cash flows from investing activities			
Purchase of plant and equipment	-	(3,753)	-
Proceeds on sale of exploration licences	-	-	650,000
Proceeds on sale of geological data	20,000	-	-
Net cash from/(used in) investing activities	20,000	(3,753)	650,000
Cash flows from financing activities			
Issue of shares	1,300,000	640,000	390,000
Funds received in advance of the issue of shares	160,000	-	-
Share issue expenses	(63,951)	(35,197)	(21,000)
Proceeds from borrowings	-	805,000	852,500
Loan repayments	-	(10,000)	(32,221)
Net cash from financing activities	1,396,049	1,399,803	1,189,279
Net increase/(decrease) in cash and cash equivalents	(186,646)	(159,414)	179,047
Cash and cash equivalents at the beginning of the year	428,439	241,793	82,379
Cash and cash equivalents at the end of the year	241,793	82,379	261,426

Notes:

1. Cash flows from investing activities in the year ended 30 June 2020 include proceeds of \$650,000 from the sale of copper exploration licences in Zambia.

10.5 Historical and Pro forma Statement of Financial Position

The table below sets out the Company's audited consolidated statement of financial position as at 30 June 2020 and the pro forma statement of financial position. The pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its financial position on completion of the Mandate Funding Offer or at any future date.

	Note	Audited 30-Jun-20 \$	Subsequent events Unaudited 30-Jun-20 \$	Minimum Pro forma adjustments Unaudited 30-Jun-20 \$	Minimum Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma adjustments Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 \$
Assets							
Current assets							
Cash and cash equivalents	10.8(a)	261,426	905,000	1,831,364	2,997,790	2,301,364	3,467,790
Trade and other receivables		124,891	-	-	124,891	-	124,891
Inventory		51,611	-	-	51,611	-	51,611
Total current assets		437,928	905,000	1,831,364	3,174,292	2,301,364	3,644,292
Non-current assets							
Plant and equipment		2,581	-	-	2,581	-	2,581
Total non-current assets		2,581	-	-	2,581	-	2,581
Total assets		440,509	905,000	1,831,364	3,176,873	2,301,364	3,646,873
Liabilities							
Current liabilities							
Trade and other payables		488,789	-	-	488,789	-	488,789
Provisions		152,737	-	-	152,737	-	152,737
Total current liabilities		641,526	-	-	641,526	-	641,526
Non-current liabilities							
Financial liabilities		787,441	-	-	787,441	-	787,441
Total non-current liabilities		787,441	-	-	787,441	-	787,441
Total liabilities		1,428,967	-	-	1,428,967	-	1,428,967
Net assets		(988,458)	905,000	1,831,364	1,747,906	2,301,364	2,217,906
Equity							
Issued capital	10.8(b)	13,679,095	905,000	1,706,751	16,290,846	2,175,675	16,759,770
Accumulated losses	10.8(c)	(15,952,896)	284,000	(43,387)	(15,712,283)	(42,311)	(15,711,207)
Reserves	10.8(d)	1,285,343	(284,000)	168,000	1,169,343	168,000	1,169,343
Total equity		(988,458)	905,000	1,831,364	1,747,906	2,301,364	2,217,906

10.6 Description of pro forma adjustments

The pro forma statement of financial position has been derived from the audited historical consolidated statement of financial position as at 30 June 2020, after reflecting the Directors' pro forma adjustments for the following subsequent events and other transactions which are proposed to occur immediately before or following completion of the Mandate Funding Offer, as if they had occurred at 30 June 2020.

Pro forma adjustments have been made in relation to the following events which occurred subsequent to 30 June 2020:

- (a) in August 2020, 40,000,000 performance options expired unexercised, as the applicable exercise conditions had not been achieved;
- (b) in August 2020, the Company raised proceeds of \$405,000 by way of a placement, through the issue of 40,500,000 Shares at an issue price of \$0.01 per Share, together with 40,500,000 free attaching unlisted options with a \$0.01 exercise price, exercisable on or before 31 March 2021; and
- (c) in December 2020, the Company raised proceeds of \$500,000 by way of a placement, through the issue of 50,000,000 Shares at an issue price of \$0.01 per Share (the **Interim Funding Offer**), together with 50,000,000 free attaching unlisted options with a \$0.01 exercise price, exercisable on or before 31 December 2021.

The following pro forma transactions are yet to occur, but are proposed to occur immediately before or following completion of the Madnate Funding Offer:

- (d) the issue of between 200,000,000 and 250,000,000 Shares at \$0.01 per Share to raise between \$2,000,000 (Minimum Subscription) and \$2,500,000 (Maximum Subscription) before costs, pursuant to the Mandate Funding Offer;
- (e) the payment of cash costs related to the Mandate Funding Offer of between \$168,636 (Minimum Subscription) and \$198,636 (Maximum Subscription); and
- (f) the issue of 40,000,000 Options to Clee Capital, comprising:
 - (i) 20,000,000 Options exercisable at \$0.015 each; and
 - (ii) 20,000,000 Options exercisable at \$0.025 each;on or before the date which is 3 years from their date of issue.

10.7 Summary of significant accounting policies

(a) Basis of preparation

The Financial Information has been prepared under the historical cost convention and is presented in Australian dollars, which is the Company's functional currency.

The Financial Information is presented on a consolidated basis and incorporates the assets and liabilities of all of the Company's subsidiaries

as at 30 June 2020 and the results of all subsidiaries for the three years then ended.

The Financial Information has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

(b) **Critical accounting judgements and key sources of estimation uncertainty**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Share-based payment transactions

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using an option pricing model, taking into account the terms and conditions upon which the instruments were granted. The fair value is determined by a valuation using a Black Scholes or Trinomial Option Pricing Model.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(c) **Revenue recognition**

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(d) **Cash and cash equivalents**

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) **Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure

the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(f) **Income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by reporting date.

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

(g) **Impairment of assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value.

(h) **Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised.

(i) **Provisions**

Provisions are recognised when the 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 a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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.

Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating long service leave are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for nonaccumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(j) Share-based payment transactions

The Group provides benefits to employees (including senior executives) and consultants of the Group in the form of share-based payments, whereby employees and consultants render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using an option pricing model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the Company's shares (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

(k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(l) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

(m) **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

(n) **Inventories**

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(o) **Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

- (i) Plant and equipment: 3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

(p) **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(q) **Trade and other payables**

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

(r) **Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a

purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(s) **Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

10.8 Notes to the Financial Information

(a) **Cash and cash equivalents**

	Note	Audited 30-Jun-20 \$	Minimum Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 \$
Cash and cash equivalents		261,426	2,997,790	3,467,790
Peppermint cash and cash equivalents as at 30 June 2020			261,426	261,426
<i>Subsequent events are summarised as follows:</i>				
Issue of placement shares	10.6(b)		405,000	405,000
Proceeds of Interim Funding Cleansing Offer	10.6(c)		500,000	500,000
			905,000	905,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Proceeds from the Mandate Funding Offer	10.6(d)		2,000,000	2,500,000
Mandate Funding Offer costs	10.6(e)		(168,636)	(198,636)
			1,831,364	2,301,364
Pro forma cash and cash equivalents			2,997,790	3,467,790

(b) **Issued share capital**

	Note	Minimum Pro forma Unaudited 30-Jun-20 No. of Shares	Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 No. of Shares	Pro forma Unaudited 30-Jun-20 \$
Issued share capital		1,333,504,463	16,290,846	1,383,504,463	16,759,770
Peppermint issued capital as at 30 June 2020		1,043,004,463	13,679,095	1,043,004,463	13,679,095
<i>Subsequent events are summarised as follows:</i>					
Issue of placement shares	10.6(b)	40,500,000	405,000	40,500,000	405,000
Issue of shares under Interim Funding Cleansing Offer	10.6(c)	50,000,000	500,000	50,000,000	500,000
		90,500,000	905,000	90,500,000	905,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>					
Proceeds from the Mandate Funding Offer	10.6(d)	200,000,000	2,000,000	250,000,000	2,500,000
Cash costs associated with the Mandate Funding Offer	10.6(e)	-	(125,249)	-	(156,325)
Issue of Options associated with the Mandate Funding Offer	10.6(f)	-	(168,000)	-	(168,000)
		200,000,000	1,706,751	250,000,000	2,175,675
Pro forma issued share capital		1,333,504,463	16,290,846	1,383,504,463	16,759,770

Pursuant to the Mandate Funding Offer, the Company will issue 40,000,000 Options to Clee Capital. These Options have been valued using a standard trinomial pricing model on the assumption that the Mandate Funding Offer price of \$0.01 per Share represents the fair value of a Share at the grant date, using the following assumptions:

Assumption	\$0.015 Options	\$0.025 Options
Share price	\$0.01	\$0.01
Exercise price	\$0.015	\$0.025
Expiry	3 years	3 years
Expected future volatility	100%	100%
Risk-free rate	0.10%	0.10%
Dividend yield	0.00%	0.00%

(c) **Accumulated losses**

	Note	Audited 30-Jun-20 \$	Minimum Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 \$
Accumulated losses		(15,952,896)	(15,712,283)	(15,711,207)
Peppermint accumulated losses as at 30 June 2020			(15,952,896)	(15,952,896)
<i>Subsequent events are summarised as follows:</i>				
Expiry of Options	10.6(a)		284,000	284,000
			284,000	284,000
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Mandate Funding Offer costs expensed	10.6(e)		(43,387)	(42,311)
			(43,387)	(42,311)
Pro forma accumulated losses			(15,712,283)	(15,711,207)

(d) **Reserves**

	Note	Audited 30-Jun-20 \$	Minimum Pro forma Unaudited 30-Jun-20 \$	Maximum Pro forma Unaudited 30-Jun-20 \$
Reserves		1,285,343	1,169,343	1,169,343
Peppermint reserves as at 30 June 2020			1,285,343	1,285,343
<i>Subsequent events are summarised as follows:</i>				
Expiry of Options	10.6(a)		(284,000)	(284,000)
			(284,000)	(284,000)
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>				
Issue of Options associated with the Mandate Funding Offer	10.6(f)		168,000	168,000
			168,000	168,000
Pro forma reserves			1,169,343	1,169,343

10.9 Related parties

As at 30 June 2020 the Company had a liability of \$85,421 for unpaid directors' fees, salaries and superannuation.

10.10 Commitments and contingencies

As at 30 June 2020 the Company had office lease commitments of \$1,967. This lease has subsequently attended and the office premises are currently being occupied on a month-to-month basis.

The Company has also agreed to provide funding of up to 5,000,000 Philippines pesos (PHP) (approximately \$135,000) to one of its service providers.

As at 30 June 2020 the Company had no material contingent assets or liabilities.

11. INVESTIGATING ACCOUNTANT'S REPORT

RSM Corporate Australia Pty Ltd

Level 32, Exchange Tower,
2 The Esplanade Perth WA 6000

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9199

www.rsm.com.au

29 January 2021

The Directors
Peppermint Innovation Limited
Level 2 East, The Wentworth Building
300 Murray Street
PERTH WA 6000

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report ("Report") on Peppermint Innovation Limited Historical and Pro Forma Historical Financial Information

Introduction

We have been engaged by Peppermint Innovation Limited ("Peppermint" or the "Company") to report on the statutory and pro forma historical financial information of the Company for the three years ended 30 June 2020 for inclusion in a prospectus ("Prospectus") of Peppermint to be dated on or about 29 January 2021.

The Prospectus is in connection with Peppermint's application to have its securities re-instated to official quotation on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering between 200,000,000 and 250,000,000 shares at an issue price of \$0.01 per share, to raise proceeds between \$2 million and \$2.5 million, before costs.

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

The future prospects of the Company, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the transactions summarised in Section 10.6 of the Prospectus, are not addressed in this Report.

Background

Peppermint Innovation Limited is a public company which was incorporated on 13 June 2006 and, after a reverse takeover, was re-admitted to the official list of the ASX on 23 November 2015. Trading in the Company's shares on the ASX has been suspended since October 2019.

The Company is engaged in the commercialisation and deployment of a mobile banking application platform in the Philippines market.

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

Scope

Historical financial information

You have requested RSM Corporate Australia Pty Ltd (“RSM”) to review the historical financial information of the Company included in Section 10 of the Prospectus, and comprising:

- the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Company for the three years ended 30 June 2020; and
- the consolidated statement of financial position of the Company as at 30 June 2020.

(together the “Historical Financial Information”).

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles of Australian Accounting Standards and the Company’s adopted accounting policies.

The Historical Financial Information has been extracted from the financial statements of the Company for the three years ended 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards and the Corporations Act 2001.

The audit report issued by RSM Australia Partners with respect to the financial statements for the year ended 30 June 2020 included an unmodified opinion and an emphasis of matter in relation to material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. However, the audit opinion was not modified in this regard.

The audit report issued by RSM Australia Partners with respect to the financial statements for the year ended 30 June 2019 included a disclaimer of opinion. RSM Australia Partners concluded that they were unable to express an audit opinion as they were not able to obtain sufficient appropriate audit evidence in relation to going concern and the carrying amount of liabilities and contingencies associated with two controlled entities in Zambia.

The audit report issued by RSM Australia Partners with respect to the financial statements for the year ended 30 June 2018 included a qualified opinion on the basis that RSM Australia Partners were unable to obtain sufficient appropriate audit evidence in relation to the completeness of liabilities and contingencies for the two controlled entities of the Company. These entities have since been divested by the Company during the year ended 30 June 2020.

The Historical 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*.

Pro forma historical financial information

You have requested RSM to review the Company’s pro forma historical statement of financial position as at 30 June 2020 (“the Pro Forma Historical Financial Information”).

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company after adjusting for the effects of the pro forma adjustments described in Section 10.6 of the Prospectus. The stated basis of preparation is the recognition and measurement principles of Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the subsequent events and pro forma adjustments relate, as described in Section 10.6 of the Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company’s actual or prospective financial position.

Directors’ responsibility

The Directors of the Company are responsible for the preparation of the Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical 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*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Our procedures included:

- A consistency check of the application of the stated basis of preparation to the Historical Financial Information and the Pro Forma Historical Financial Information;
- A review of the Company's and its auditor's work papers, accounting records and other documents;
- Enquiry of directors, management personnel and advisors;
- Consideration of the pro forma adjustments described in Section 10.6 of the Prospectus; and
- Performance of analytical procedures applied to the Historical Financial Information and the Pro Forma Historical Financial Information.

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 would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Historical Financial Information or the Pro Forma Historical Financial Information.

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, as set out in Section 10 of the Prospectus, and comprising:

- the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Company for the three years ended 30 June 2020; and
- the consolidated statement of financial position of the Company as at 30 June 2020;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 10 of the Prospectus.

Pro Forma 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 Historical Financial Information, as set out in Section 10.5 of the Prospectus, and comprising the pro forma consolidated statement of financial position of the Company as at 30 June 2020, is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Section 10 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the Historical Financial Information and the Pro Forma Historical Financial Information, being for inclusion in the Prospectus. As a result, this financial information may not be suitable for use for another purpose.

Responsibility

RSM has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included. RSM has not authorised the issue of the Prospectus. Accordingly, RSM makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Prospectus.

Disclosure of Interest

RSM does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. RSM will receive a professional fee for the preparation of this Report.

Yours faithfully



JUSTIN AUDCENT
Director

12. CORPORATE GOVERNANCE

12.1 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board consider that the current Board (and the proposed Board following Reinstatement) is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Board seeks, where appropriate, to provide accountability levels that meet or exceed the ASX Corporate Governance Council's Principles and Recommendations.

Details on the Company's corporate governance procedures, policies and practices can be obtained from the Company website at www.pepltd.com.au.

12.2 Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

12.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

The Board has appointed a Nomination and Remuneration Committee (**Committee**) and established a Charter for the Committee which includes the identification and recommendation of potential director appointments. Where a casual vacancy arises during the year, the Committee has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any director appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next General Meeting and is then eligible for re-election by the shareholders.

It is proposed that, upon Reinstatement, whilst there are four directors of the Company, all directors will be members of the Nomination and Remuneration Committee with one to be appointed as the chair of the Committee.

12.4 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

12.5 Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

12.6 Remuneration arrangements

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

12.7 Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that written notification to the Chairman must be obtained prior to trading.

12.8 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

12.9 Audit and risk committee

The Board has established an audit and risk committee (**Audit and Risk Committee**) as part of its Corporate Governance Charter. The Audit and Risk Committee is responsible for ensuring the risks and opportunities are identified on a timely basis. To achieve this, the Audit and Risk Committee will implement a risk system which allows for the regular monitoring of identified risk areas and performance against the activities to minimise or control these identified risks.

The Audit and Risk Committee's purpose is to provide assistance to the Board in fulfilling its corporate governance and monitoring responsibility in relation to the Company's risks associated with the integrity of financial reporting, internal control systems and external audit functions.

Upon Re-Instatement, It is proposed that, whilst there are only three directors of the Company, all directors will be members of the Audit and Risk Committee with one to be appointed as the chair of the Committee.

12.10 Diversity Policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

12.11 Departures from Recommendations

The Company's compliance and departures from the Recommendations will be announced to ASX prior to the Company's re-instatement to trading.

Following re-quotation on the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

13. MATERIAL CONTRACTS

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

13.1 Corporate Advisory Mandate

The Company has entered into a corporate advisory mandate with Clee Capital Pty Ltd (ACN 637 619 937) (**Clee Capital**), pursuant to which the Company has engaged Clee Capital to act as Corporate Advisor to the Mandate Funding Offer (**Corporate Advisory Mandate**). The material terms and conditions of the Corporate Advisory Mandate are summarised below.

(Engagement): to assist and manage the Mandate Funding Offer the subject of this Prospectus, being a capital raise of \$2 million (with the ability to accept oversubscriptions to the value of \$500,000), which the Company is conducting in connection with its Reinstatement to the Official List of the ASX.

(Term): The successful completion of the Mandate Funding Offer will trigger an automatic corporate advisory engagement extension for 6 months (**Corporate Advisory Engagement Period**). A corporate advisory retainer of \$5,000 per month (or part thereof) plus GST will be payable by the Company to Clee Capital for the Corporate Advisory Engagement Period.

A fee of 2% plus GST of the total gross amount raised under the Mandate Funding Offer will be payable by the Company to Clee Capital.

A fee of 4% plus GST of the gross amount raised under the Mandate Funding Offer will be payable by the Company to Clee Capital.

- (a) The Company and Clee Capital acknowledge that the fees above will only be payable out of the proceeds received by the Company from the Mandate Funding Offer; and
- (b) upon completion of the Mandate Funding Offer the Company must immediately issue to Clee Capital 20,000,000 options exercisable at 1.5 cents per share and 20,000,000 options exercisable at 2.5 cents per share to expire 3 years after their issue.

(Reimbursement): In addition to the above fees, Clee Capital will receive reimbursement of reasonable out-of-pocket expenses (together with any applicable GST) provided it obtains written approval from the Company prior to incurring any individual expense above \$2,000.

13.2 Agreements with Executive Directors

The Company has entered into employment contracts with Christopher Kain (as Chief Executive Officer / Managing Director) and Anthony Kain (as General Counsel and Company Secretary) (**Executive Employment Agreements**).

The material terms of the Executive Employment Agreements are as follows:

- (a) Remuneration:
 - (i) Anthony Kain - \$200,000 per annum plus statutory superannuation (currently 9.5%); and

- (ii) Christopher Kain - \$265,000 per annum plus statutory superannuation (currently 9.5%).
- (b) Annual review: performance reviewed on an annual basis with the possibility of a performance and CPI based remuneration adjustments.
- (c) Termination: either party may give the other 12 months' notice, in which the case the Company may make a payment in lieu of notice. In the event of misconduct, the Company may terminate employment without notice.

The Executive Employment Agreements are on terms and conditions considered otherwise standard for an agreement of this nature.

13.3 Matthew Cahill – Non-Executive Director and Consultant

The Company has also entered into director and consultancy services agreements with Matthew Cahill (together with Digital Domain Consulting Pty Ltd, an entity controlled by Matthew Cahill) (**NED Consultancy Agreement**), under which Mr Cahill has been engaged by the Company to provide non-executive director and consultancy services. The material terms of the NED Consultancy Agreement are as follows:

- (a) Engagement: the Company engaged Mr Cahill as a consultant to manage and guide the Company's technical team, including guiding the team's development of the Company's mobile banking and remittance platform;
- (b) Director's fees: director's fees of \$2,500 per month (\$30,000 per annum) plus superannuation together with:
 - (i) an entitlement to fees or other amounts in relation to special duties or service performed outside the scope of ordinary employment as a director; and
 - (ii) reimbursement for out of pocket expenses incurred as a result of engagement as a director.
- (c) Consultancy Fees: consultancy fees of \$3,500 per month for a minimum commitment of 50 hours per month;
- (d) Termination: Non-Executive Directors may retire at any time and are subject to re-election at the annual general meeting of shareholders in accordance with the Company's policy of at least one third of the Non-Executive Directors being nominated for re-election each year based on the Company's rotation schedule.

The NED Consultancy Agreement contains terms otherwise considered standard for an agreement of this nature.

13.4 Black Tourmaline Pty – Chief Financial Officer

On 1 April 2016, the Company entered into an engagement letter with Black Tourmaline Pty Ltd pursuant to which the Company engaged Mr van Uffelen to provide chief financial officer services to the Company (**CFO Agreement**). The material terms of the CFO Agreement are as follows:

- (a) Engagement: The Company engaged Black Tourmaline Pty Ltd to provide standard CFO services, including supervising financial controls, being the public officer for tax filing and managing and maintaining the Australian general ledger and payments.
- (b) Term: From 1 March 2016 until terminated.
- (c) Fee: \$11,000 per month (as agreed subsequently) plus participation in a tax effective employee scheme.

The CFO Agreement contains terms and conditions considered otherwise standard for an agreement of this nature.

13.5 Agreements with Other Key Management Personnel

The Company has also entered into contracts of employment with key personnel (**Key Personnel**), who the Company has engaged to carry on the development and commercialisation of the Peppermint Platform (**Engagement Agreements**). Specifically, the Company has entered the Engagement Agreements with the following persons, for the provision of the corresponding services:

- (a) Rosarito Carrillo (Chief Operating Officer and General Manager);
- (b) Adrian Ocampo (Chief Technical Officer and Marketing Manager); and
- (c) Chris Leathley (Core Developer Technical Operations and IT Team Lead).

14. ADDITIONAL MATERIAL INFORMATION**14.1 Litigation**

As at the date of this Prospectus, neither the Company nor Peppermint is involved in any material legal proceedings and neither the Directors nor the Directors are aware of any legal proceedings pending or threatened against the Company or Peppermint.

14.2 Rights and liabilities attaching to Peppermint Shares

The Shares offered under this Prospectus will be fully paid ordinary shares in the issued capital of the Company and will, upon issue, rank equally with all other Shares then on issue.

The rights and liabilities attaching to Shares are regulated by the Company's Constitution, the Corporations Act, the ASX Listing Rules, the ASX Settlement Rules and common law. The following is a summary of the more significant rights and obligations attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Further details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

14.3 Options issued under the Options Offer

Terms and conditions of the Options being offered under the Options Offer are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (a), the amount payable upon exercise of each Option will be:

(i) \$0.015, in respect of 20,000,000 of the Options; and

(ii) \$0.025, in respect of 20,000,000 of the Options,

(each respectively, the **Exercise Price**).

(c) **Expiry Date**

Each Option:

- (i) will expire at 5:00 pm (WST) on the date which is 3 years from the date of issue,

(the **Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will not apply for quotation of the Options.

14.4 Interests of Directors

Other than as set out in this Prospectus, no Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) any of the Offers; or
- (c) any of the Offers,
- (d) and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:
- (e) as an inducement to become, or to qualify as, a Director; or
- (f) for services provided in connection with:

- (i) the formation or promotion of the Company; or
- (ii) any of the Offers.

14.5 Interests of Experts and Advisers

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

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

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) any of the Offers.

Clee Capital has acted as the Company's exclusive corporate adviser in connection with the Mandate Funding Offer. The Company estimates it will pay Clee Capital between \$120,000 and \$150,000 (excluding GST) for these services and a further \$5,000 per month for 6 months following completion of the Offer. Further, on completion of the Offer the Company has undertaken to issue Clee Capital with 20,000,000 options exercisable at 1.5 cents per share and 20,000,000 options exercisable at 2.5 cents per share. These options shall have a three year expiry date.

During the 24 months preceding lodgement of this Prospectus with the ASIC, Clee Capital has not received any fees from the Company for their services.

RSM Corporate Australia Pty Ltd has acted as Investigating Accountant of the Company and has prepared the Investigating Accountant's Report which is included in Section 11 of this Prospectus. The Company estimates it will pay RSM Corporate Australia Pty Ltd a total of approximately \$15,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus, RSM

Corporate Australia Pty Ltd has not received any fees from the Company for its services.

RSM Australia Partners has acted as auditor of the Company. During the 24 months preceding lodgement of this Prospectus with the ASIC, RSM Australia Partners has received \$75,850 from the Company for their services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin a total of approximately \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received fees of \$62,214 (excluding GST) from the Company for legal services. Subsequently, fees will be charged in accordance with normal charge out rates.

14.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), the Directors, any persons named in the Prospectus with their consent as Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by the relevant party;
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of the party; and
- (c) did not authorise or cause the issue of all or any part of this Prospectus.

Steinepreis Paganin has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as Australian lawyers to the Company in relation to the Offers.

RSM Australia Partners has given its written consent to being named as auditor of the Company in this Prospectus. RSM Australia Partners has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

RSM Corporate Australia Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 11 of this Prospectus in the form and context in which the information and reports are included. RSM Corporate Australia Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

14.7 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$198,636 (assuming maximum subscription under the Mandate Funding Offer) and are expected to be applied towards the items set out in the table below:

Item of Expenditure Full Subscription	Full Subscription (\$)	Full Over Subscription (\$)
ASIC fees	3,206	3,206
ASX fees	10,430	10,430
Corporate Advisor Fees ¹	120,000	150,000
Legal Fees ²	20,000	20,000
Investigating Accountant's Fees	15,000	15,000
TOTAL	168,636	198,636

Notes:

1. Refer to Section 13.1 for further detail regarding the fees payable to the Corporate Advisor.

14.8 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will continue to be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

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

14.9 Governing law

Each of the Offers and the contracts formed on return of an Application Form are governed by the laws applicable in Western Australia, Australia. Each person who applies for securities pursuant to this Prospectus submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the relevant appellate courts.

15. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.



**Christopher Kain
Managing Director
For and on behalf of
Peppermint Innovation Limited**

16. GLOSSARY AND INTERPRETATION

16.1 Definitions

Unless the context requires otherwise, where the following terms are used in this Prospectus, they have the following meanings:

\$ means an Australian dollar.

Application means an application for Securities made on an Application Form.

Application Form means an Application form attached to or accompanying this Prospectus relating to an Offer.

Additional Offers means the Interim Funding Offer and the Options Offer, together.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement Corporation means ASX Settlement Pty Ltd (ACN 008 504 532).

ASX Settlement Operating Rules means the operating rules of the ASX Settlement Facility (as defined in Rule 1.1.1 and Rule 1.1.2 of the ASX Settlement Operating Rules) in accordance with Rule 1.2 which govern, inter alia, the administration of the CHESS sub registers.

Board means the board of Directors as constituted from time to time.

Clee Capital means Clee Capital Pty Ltd (ACN 637 619 937).

Closing Date means the closing date of the Offers as set out in the indicative timetable in Section 3 of this Prospectus (subject to Peppermint reserving the right to extend the Closing Date or close the Offers early).

Company, Peppermint or PIL means Peppermint Innovation Limited (ACN 125 931 964).

Conditions means the conditions to the Offers set out in Section 7.2 of this Prospectus.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of Peppermint as at the date of this Prospectus.

Full Subscription means the full subscription under the Mandate Funding Offer (not including oversubscriptions), being \$2,000,000 (200,000,000 Shares).

Interim Funding Offer means the offer of 50,000,000 shares at \$0.01 per Share to raise up to \$500,000 (before costs), which was completed in December 2020, as set out in Section 6.9 of this Prospectus.

Mandate Funding Offer means the offer of 200,000,000 Shares at \$0.01 per Share to raise up to \$2,000,000 (before costs), with the ability to accept oversubscriptions for a maximum of 50,000,00 Shares at \$0.01 per Share to raise up to a further \$500,000 (before costs).

Notice of Meeting means the Notice of General Meeting and Explanatory Statement of Peppermint in relation to the General Meeting, released on the ASX on 24 December 2020.

Offers means, collectively, the Mandate Funding Offer, the Interim Funding Offer and the Options Offer.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Options Offer means the offer of 40,000,000 Options to Clee Capital, as set out in Section 6.9 of this Prospectus.

Peppermint means Peppermint Innovation Limited (ACN 125 931 964).

Peppermint Application Form means the Peppermint application form accompanying this Prospectus relating to the Mandate Funding Offer.

Peppermint Board means the current directors of the Company as at the date of this Prospectus, comprising Christopher Kain, Anthony Kain and Matthew Cahill.

Peppermint Share means a fully paid ordinary share in the issued capital of Peppermint.

Prospectus means this prospectus.

Public Authority means any government or governmental, semi-governmental, administrative, statutory, fiscal, or judicial body, entity, authority, agency, tribunal, department, commission, office, instrumentality, agency or organisation (including any minister or delegate of any of the foregoing), any self-regulatory organisation established under statute and any recognised securities exchange (including without limitation ASX), in each case whether in Australia or elsewhere.

Reinstatement means the re-instatement of the Company's securities to trading on the ASX.

Reinstatement Conditions means each of the conditions of Re-Instatement, as set out in Schedule 1.

The Mandate Funding Application Form means the application form to subscribe for Shares under this Offer, attached to or accompanying this Prospectus.

Section means a section of this Prospectus.

Security means a security in the capital of the Company, including a Share or Performance Share, as the context requires.

Share or **PIL Share** means a fully paid ordinary share in the capital of Peppermint.

Shareholder means a holder of one or more Shares.

Share Registry means Computershare Investor Services Pty Limited.

Valid Application means a valid and complete application to subscribe for Shares under the Mandate Funding Offer, accompanied by the appropriate application money in full.

WST means Western Standard Time as observed in Perth, Western Australia.

Interpretation

Unless the contrary intention appears, the following rules apply in interpreting this Prospectus:

- (a) words or phrases defined in the Corporations Act have the same meaning in this Prospectus;
- (b) a reference to legislation, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (e) a reference to Australian dollars, AUD, \$ or dollars is to the lawful currency of the Commonwealth of Australia; and
- (f) a reference to time is to WST.

SCHEDULE 1 – REINSTATEMENT CONDITIONS

1. PIL releasing a full form prospectus pursuant to section 710 of the Corporations Act 2001 (Cth) in relation to the following:
 - (a) the placement and issue of 50,000,000 shares at an issue price of \$0.01 per share raising AUD\$500,000 (before costs) (the “**Interim Funding**”); and
 - (b) the further placement and issue of 200,000,000 shares at an issue price of \$0.01 per share raising AUD\$2,000,000 (before costs) (the “**Mandate Funding**”)together, the ‘**Capital Raising**’.
2. PIL’s shareholders approving all the resolutions required to effect the Capital Raising to be considered at a general meeting of shareholders (‘Meeting’).
3. Completion of the Capital Raising and confirmation that PIL has raised the funds pursuant to the Capital Raising.
4. Confirmation in a form acceptable to ASX that PIL has received cleared funds for the complete amount of the issue price of every security allotted and issued to every successful applicant for securities under the Capital Raising under the Prospectus.
5. PIL demonstrating compliance with Listing Rules 12.1 to 12.4 inclusive, to the satisfaction of the ASX, as set out below.
 - (a) PIL satisfies the requirements of Listing Rule 12.1.
 - (b) PIL’s financial condition satisfies the requirements of Listing Rule 12.2, including:
 - (i) Providing a ‘working capital statement’ similar to that required by listing rule 1.3.3(a) to the effect that following completion of the Capital Raising, PIL will have sufficient;
 - (ii) Working capital at the time of reinstatement to carry out its activities; and
 - (iii) Satisfying the ‘working capital test’ of at least \$1.5 million pursuant to Listing Rule 1.3.3(c).
6. Lodgement of all outstanding Appendices 3B and Appendices 2A with ASX for issues of new securities.
7. Reinstatement of PIL’s CHESS sub-register (if applicable).
8. Confirmation that there are no legal, regulatory or contractual impediments to PIL undertaking the activities the subject of the commitments disclosed in the Prospectus.
9. Confirmation the securities to be issued following the Meeting have been issued, and despatch of each of the following has occurred.
 - (a) In relation to all holdings on the CHESS sub-register, a notice from the Entity under ASX Settlement Operating Rule 8.9.1.

- (b) In relation to all other holdings, issuer sponsored holding statements.
- (c) Any refund money.

10. Provision of the following documents, in a form suitable for release to the market.

- (a) A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.
- (b) A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories.
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- (c) A statement outlining PIL's capital structure following the Meeting on a post-issue basis.
- (d) PIL's pro forma balance sheet based on actual funds raised.
- (e) A consolidated activities report setting out the proposed business strategy for PIL (including an update on the status of PIL's assets and the current activities with respect thereto).
- (f) Full terms and conditions of all options on issue (if any).
- (g) A statement disclosing the recipients of the broker shares, if any (including the number of shares issued to each broker).
- (h) An update on all litigation with respect to PIL (if any).
- (i) A statement confirming that there are no legal, regulatory or contractual impediments to PIL undertaking the activities the subject of the commitments disclosed in the Prospectus.
- (j) A statement confirming PIL is in compliance with the Listing Rules and in particular Listing Rule 3.1.
- (k) Any further documents and confirmations ASX may determine are required to be released to the market as pre-quotation disclosure.

11. Provision of any other information required or requested by ASX including, but not limiting the generality of the foregoing, in relation to any issues that may arise (1) from ASX's review of the Prospectus; and (2) from ASX's review of PIL's financial reports.

G Chess HIN (if applicable)

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H Cheque payment details please fill out your cheque details and make your cheque payable to "Peppermint Innovation Limited – Subscription Account"

Drawer Cheque Number BSB Number Account Number Total of Cheque

				\$
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Peppermint Resources Limited – Subscription Account

You should read this Prospectus carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

I/We declare that:

- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the constitution of Peppermint Innovation Limited ; and
- (b) I/we have received personally a copy of this Prospectus accompanied by or attached to the Application Form or a copy of the Application Form or a direct derivative of the Application Form, before applying for Shares.

Return of the Application Form with your cheque for the Application Monies will constitute your Offer to subscribe for Shares in the Company. Please note that the Company will not accept electronic lodgement of Application Forms or electronic funds transfer.

Guide to this Offer - Application Form

This Application Form relates to this Offer of Shares in Peppermint Innovation Limited. The expiry date of the Prospectus is the date which is 13 months after the date of this Prospectus. The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable), and an Application Form on request and without charge.

Please complete the all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars in the correct forms of resistible titles to use on the Application Form are contained in the table below.

- A Insert the number of Shares you wish to apply for. The Application must be for a minimum of Shares and thereafter in multiples of 50,000 Shares.
- B Write the full name you wish to appear on the statement of shareholdings. This must be either your own name or the name of the Company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that presently registered in the CHES system.
- C Enter your Tax File Number (TFN) or exemption category. Where applicable please enter the TFN for each joint Applicant. Collection of TFNs is authorized by taxation laws. Quotation for your TFN is not compulsory and will not affect your Application.
- D Please enter your postal address for all correspondence. All communications to you from the Shares Registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- E Please enter your telephone number(s), area code, email address and contact name in case we need to contact you regarding your Application.
- F Peppermint Innovation Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. In CHES, the Company will operate an electronic CHES sub register of securities holdings and an electronic issuer sponsored sub register of securities holdings. Together the two sub registers will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of securities allotted.

If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertified form on the CHES sub register, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For Further information refer to the relevant section of the Prospectus.

- G Please complete cheque details as requested.

Make your cheque payable to "Peppermint Innovation Limited – Subscription Account" in Australian currency and cross it "Not Negotiable" Your cheque must be drawn on an Australian Bank.

The amount should agree with the amount shown in section B.

Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.

- H Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for shares in Peppermint Innovation Limited upon and subject to the terms of this Prospectus, and agrees to take any number of Shares equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Applications

In Person to:	By Post to:	By Email to:

Return your completed Application Form with cheque(s) attached to:

Application Forms must be received no later than **13 November 2015** which may be changed immediately after the Opening Date at any time at the discretion of the Company.

Correct form of Registrable Title

Only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the examples below:

Type of Investor	Correct form or Registrable Title	
Individual – Use Names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18). Use the name of a responsible adult, do not use the name of a minor	<Peter Smith>	Peter Smith
Company – Use Company title, not abbreviations	ABC – ABC P/L – ABC Co Pty Ltd	
Trusts – Use Trustee(s) person name(s), do not use the name of the trust	<Sue Smith Family A/C>	Mrs Sue Smith
Deceased Estates. Use executor(s) person name(s), do not use the name of the deceased	<Est John Smith A/C>	Estate of Late John Smith
Partnerships – Use partners personal names, do not use the name of the partnership	<John Smith and Son A/C>	John Smith and Son