

17 December 2018

ASX ANNOUNCEMENT

Mobecom completes acquisition of strategic stake in Lakeba Group's fast-growth subsidiary Paid By Coins

- Following the previous announcement of Mobecom's intent to acquire Paid By Coins Pty Ltd ACN 621 589 759 (**Paid By Coins**), the Company has now completed the acquisition of 80% of the issued shares in Paid By Coins, pursuant to a Share Sale Agreement between the Company, Lakeba Ventures Pty Ltd ACN 603 959 413 (**Lakeba Ventures**) and others, the signing of which agreement was announced by the Company on 28 November 2018.
- Paid By Coins is an early stage, privately-held Australian owned cryptocurrency exchange platform with significant potential for growth and an offering which complements Mobecom's Direct to Consumer engagement strategy, specifically with regards to airBux. Paid By Coins has demonstrated sustained, strategic growth since its launch, and the pursuant acquisition by Mobecom underpins a record in the Australian market for the rapid launch and sale of a technology start up.

Mobecom Limited (ASX: MBM) (**Mobecom** or the **Company**) is pleased to announce it has completed the acquisition of 80% of the issued shares of Paid By Coins from Lakeba Ventures, a subsidiary venture of Lakeba Group Pty. Ltd. ACN 603 471 807 (**Lakeba Group**).

Mobecom has made a payment of \$6,000,000 to Lakeba Ventures satisfied by the issue of 35,294,118 fully paid ordinary shares in Mobecom at an agreed issue price of \$0.17 per share. Mobecom determined to pay the 'deferred payment' payable under the Share Sale Agreement ahead of schedule (i.e. at completion), in order to bring finality to this acquisition.

26,899,104 of the ordinary shares issued have been issued within the Company's 15% capacity and the balance of 8,395,015 ordinary shares have been issued under ASX Listing Rule 7.1A. The Company confirms that the issue price of \$0.17 is greater than 75% of the volume weighted average market price of \$0.144 for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before the date on which the securities were issued.

This transaction has not affected the composition of the board or the senior management group of Mobecom.

Neil Joseph and Giuseppe Porcelli now comprise the board of Paid By Coins.

Other matters

The parties have also agreed that Mobecom will have an option to acquire, and Lakeba Ventures will have an option to sell, the balance of shares in Paid By Coins (i.e. the remaining 20%), for a price of between \$1.00 and \$14million depending on the performance of Paid By Coins following completion of the acquisition.

Background to Paid By Coins

Paid By Coins has developed and owns the Paid By Coins Platform (**Platform**), which provides an easy to use Business to Consumer (B2C) solution for consumers, to use cryptocurrency to pay their bills (for example utility bills), or to make a payment directly to any Australian bank account. The Platform delivers a cost effective (there is little or no cost to the customer), and secure payment facilitation portal for end customers. The Platform is currently fully operational; <https://paidbycoins.com/>.

Currently, the Platform accepts Bitcoin, Ethereum, BitcoinCash, Ripple and Litecoin. Should there be demand from customers in the future, additional cryptocurrencies will continue to be incorporated into the Platform.

The Platform acts as a gateway and matches sellers with buyers of cryptocurrencies. Under this 'gateway' model, the Platform will immediately convert the relevant cryptocurrency into fiat currency (i.e. cash). Paid By Coins will therefore only hold cash, not cryptocurrencies. Paid By Coins would then use the cash to make a payment to either the customer's nominated bank account or the issuer of the relevant invoice, and retain a small portion as its fee for conducting the transaction. This means that cryptocurrencies are never held by Paid By Coins.

Mobecom Chief Executive Officer, Neil Joseph, states:

"We have noted previously that this acquisition brings momentum to Mobecom in terms of the consolidation of our position in the cryptocurrency and blockchain sphere. Today's finalisation of the first tranche of issued shares signals the start of a highly beneficial alignment; we are confident of the robust strength and market promise of Paid By Coins. By using the latest payment gateway and embedding this into our business and our products, we have a strong opportunity to inject forward-looking momentum into the business, and greater potential to provide shareholder value."

Lakeba Group Chief Executive Officer, Giuseppe Porcelli, states:

"Lakeba's strengthened alignment with Mobecom is a natural evolution, given our earlier original partnership formed through the AirCrypto Joint Venture. The acquisition by Mobecom of our high-performing payment gateway is further evidence of the strength of our technology solutions, demonstrating the rigour and depth of Lakeba's innovation pedigree. It also sets a new benchmark for the rapid commercialisation and sale of market-relevant, emerging technology solutions. We see the increased integration across the two companies as giving Mobecom a greater foothold, and critical, early-mover capability, in the blockchain and cryptocurrency sphere."

Information required under ASX Listing Rule 3.10.5A

Pursuant to ASX Listing Rule 3.10.5A, the Company provides the following information in relation to the shares issued under ASX Listing Rule 7.1A.

a) Details of the dilution to the existing shareholders or ordinary securities caused by the issue.

Share details	Issued Shares	Dilution
Number of shares on issue prior to the issue of Consideration Shares	178,410,317	-
Consideration Shares issue under Listing Rule 7.1	26,899,104	12.59%
Consideration Shares issue under Listing Rule 7.1A	8,395,015	3.93%
Total shares on issue post issue of the Consideration Shares	213,704,436	-
Total dilution effect of the issue of the Consideration Shares	-	16.52%

b) Where the equity securities are issued for cash consideration a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate.

The issue of Consideration Shares were not issued for cash consideration.

c) Details of any underwriting arrangements, including any fees payable to the underwriter.

The issue of the Consideration Shares was not underwritten.

d) Any other fees or costs incurred in connection with the issue.

There were no fees or costs incurred in connection with the issue of the Consideration Shares other than the Company's usual administrative costs associated with the issue of the shares.

Ends.

For further information, contact:

Media Enquiries
Myrna Van Pelt
Corporate Communications Director
M: +61 ((0) 412 489149
m.vanpelt@lakeba.com

Neil Joseph
Chief Executive Officer
Mobecom Ltd
M: +61 404 969 153
E: neil.joseph@mobecom.co

About Mobecom Limited

Mobecom Limited (ASX:MBM) is a full-stack customer engagement technology provider that delivers end-to-end technology solutions for businesses to engage with their customers. Its primary offering, airBux, is a digital currency platform that provides 'liquidity for loyalty' and is the Company's direct to consumer mobile application offering, with a cloud-based currency at its core. With mobile payment, ordering, booking and local offer capability; the airBux digital currency will be the gateway to a new digital lifestyle rewards program.

The Company's existing B2B offering provides its blue-chip customers based in Australia, Singapore, South Africa, the UK and Europe with technology solutions, built on its airBux proprietary technology, to deliver a complete end-to-end set of customer engagement technology requirements, including both back-end (databases) and front-end technology (design, mobile applications and websites). www.mobecom.co

About Lakeba Group

Lakeba Group is a global company head quartered in Sydney with offices in Melbourne, London, Coimbatore, Naples, Singapore, San Francisco and New York. The group delivers a platform for commercialising innovation and rapid scaling of ventures on a global scale with its full capabilities to conceive an idea, create it and then commercialise globally. Lakeba Group and Mobecom have two directors in common, being Rod Walker and Todd Ruppert (who have not taken part in the negotiations surrounding the Transaction). www.lakeba.com