

ASX Announcement

FUNDING UPDATE

- **\$1.5m convertible note fully subscribed**
- **\$2m placement to PEGG Capital Limited (PEGG) to be completed**
- **Next phase of business plan forecast to deliver increased revenues and strong business growth.**

PERTH, AUSTRALIA 18 October 2019: Peppermint Innovation LTd (**ASX:PIL**) ("Peppermint" or "the Company") today advised a \$1.5 million convertible note with sophisticated investor, Casson Group, has been fully subscribed and funds for the \$2million placement with PEGG Capital Limited ("PEGG") are expected in October.

Funds drawn down this week by the Company complete the final \$487,500 tranche of the \$1.5 million convertible note, with these funds to be used to satisfy ongoing working capital requirements.

The convertible notes placed with Melbourne-based sophisticated investor, Caason Group, may be converted at 2.5 cents per share (a significant premium to the Company's average share price during the last 12 months) and attach an option to buy 1 further PIL share (at a price of 1.4 cents per share) for every 2 shares the notes entitle them to..

Further, Peppermint has now been advised that the funds for the agreed \$2 million placement with Malta-based investment group PEGG are to be expected in October.

Increased regulatory banking, compliance protocols and the heightened sensitivity of PEGG's capital partners (due to the recent political and social unrest in Hong Kong), have all contributed to the delay in funds being received.

As previously announced, the \$2million placement for 80 million Peppermint shares will be used to accelerate the roll out of the Company's Bizmoto business, including its delivery and logistics offering, "BizmoGo", and its e-commerce platform, BizmoTinda.

Peppermint's Managing Director and Chief Executive Officer Chris Kain: "The Company is in daily contact with PEGG's management team and we have been informed that the funds will be received in October.

"The process has certainly been frustrating for them and for us but the Company believes the incredible amount of effort to achieve this will ensure we achieve the best outcome for both our business and our shareholders.

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"It would have been easy to destroy shareholder value by raising money at a discount to the Company's average share price over the last 12 months.

"However, our astute investors realise the long-term value that we have delivered by negotiating the convertible note and PEGG's placement at 2.5 cents per share – a significant premium to the Company's average 12-month share price.

"Once the \$2million placement has been received, shareholders can be assured the next stage of the Company's business plan will be fully funded and it will generate increased revenues and strong business growth.

"To reinforce how committed PEGG is to Peppermint's business model, they have already offered to make available an additional \$3million in extra funding over time – increasing their total funding offer to \$5million total. This will be important as will our efforts with other potential strategic capital partners who we are in dialogue with about supporting our long term business plan and ongoing future expansion"

-Ends-

For further information, please contact:

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About Peppermint Innovation Ltd

Peppermint Innovation is an Australian company focused on the commercialisation and further development of the Peppermint Platform - a mobile banking, payments and remittance, delivery and logistics, ecommerce and finance technology to service the Philippines market – which was initially designed for banks, agents, associations and microfinance institutions. Peppermint currently operates the Peppermint Platform in the Philippines.

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