

**CONNEXION MEDIA LIMITED**

**ABN: 68 004 240 313**

## **PROSPECTUS**

**Date:** 6 July 2016

1. For the offer of 3,042,172 Piggy Back Options to Participating Primary Option Holders.
2. For the offer of 7,133,617 Unlisted Options to March Placement Shareholders and May Placement Shareholders.

### **IMPORTANT NOTICE**

The Securities offered by this Prospectus should be considered a speculative investment and potential investors should refer to Section 6 for further details concerning the risk factors.

This document is important. It should be read in its entirety. If you do not understand its contents or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser.

Neither Connexion nor any other person guarantees the performance of the Securities offered pursuant to this Prospectus or the performance of Connexion, or the return of any investment.

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### Company \*

Connexion Media Limited  
(ASX: CXZ)

### Officers

Mr John Conomos (Chairman)  
Mr George Parthimos (Managing Director)  
Mr Ashley Kelly (Exec. Director)  
Mr John Dimitropoulos (Non Exec. Director)  
Mr Eric Jiang (Exec. Director)

### Contact Details

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600 St Kilda Road,  
Melbourne VIC 3004  
Fax: +61 3 9866 5859  
Phone: +61 3 9866 7889  
Website:  
[www.connexionmedia.com.au](http://www.connexionmedia.com.au)

### Share Registry \*

Boardroom Pty Limited  
Level 7, 207 Kent Street  
Sydney NSW 2000  
Fax: 1300 653 459  
Phone: 1300 737 760 (within Australia)  
+61 2 9290 9600 (outside Australia)

### Legal Advisor

KHQ Lawyers  
Level 15, 440 Collins Street  
Melbourne VIC 3000  
T +61 3 9663 9877

### Auditor \*

William Buck Audit (Vic) Pty Ltd  
Level 20, 181 William Street  
Melbourne VIC 3000

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

## 1. IMPORTANT DATES AND IMPORTANT INFORMATION

### 1.1 Important Dates

Event	Date
Lodge Prospectus with ASIC and ASX	6 July 2016
First Issue Date and dispatch of holding statements	7 July 2016
Extraordinary general meeting to approve the issue of Unlisted Options to May Placement Shareholders	On or about 4 August 2016
Second Issue Date and dispatch of holding statements	On or about 5 August 2016 (subject to Shareholder approval being obtained)
Expiry date of Piggy Back Options	5.00pm Melbourne time 1 January 2018
Expiry date of Unlisted Options to March Placement Shareholders	5.00pm Melbourne time on the second anniversary of the First Issue Date
Expiry date of Unlisted Options to May Placement Shareholders	5.00pm Melbourne time on the second anniversary of the Second Issue Date

*\*The dates are indicative only. Subject to the Listing Rules, the Directors may vary the dates without prior notice.*

### 1.2 Important Information

This Prospectus is dated 6 July 2016 and was lodged with ASIC on that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

No funds will be raised by the Company on the issue of the securities issued under this Prospectus.

### 1.3 Quotation

The Company will not apply for Official Quotation of the Options offered by this Prospectus.

### 1.4 Foreign jurisdictions

This Prospectus does not constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to do so. The distribution of this Prospectus in



jurisdictions outside Australia may be restricted by law and any person into whose possession this Prospectus comes (including nominees, trustees or custodians) should seek advice on and observe those restrictions.

The securities have not been, and will not be, registered under the US Securities Act 1993 (as amended) and may not be offered or sold in the United States or to, or for the account of or benefit of, US persons. Accordingly, this Prospectus may not be sent to investors in the United States or otherwise distributed in the United States.

No action has been taken to register or qualify the Options or the Offers or otherwise to permit a public offering of the Piggy Back Options or Unlisted Options in any jurisdiction outside Australia.

### **1.5 Prospectus availability**

This Prospectus may be viewed at the Company's website at [www.connexionmedia.com.au](http://www.connexionmedia.com.au).

### **1.6 Note to Applicants**

The information contained in this Prospectus is important and Offerees should carefully read this Prospectus in its entirety. Exercising Options and investing in the shares by exercising the Options involves risks. It is important that you consider the risk factors that could affect the financial performance of the Company.

This Prospectus does not take into account the investment objectives, financial situation or particular needs of any Offeree or any other person. As some time may lapse between the date of this Prospectus and the exercise of an Option, the risk factors set out in this Prospectus may not be applicable and/or new risk factors may emerge. The Company is not likely to update this Prospectus and the risk factors prior to the exercise of any Option. Offerees should not rely on this Prospectus as the sole basis for making an investment decision. Offerees should consider seeking independent taxation and financial advice before making such a decision.

The offer of Piggy Back Options pursuant to this Prospectus is available to each Participating Primary Option Holder only. Entitlement to this Offer arose because the Offeree exercised, on or before 1 January 2016, Primary Options. The entitlement to the Piggy Back Options is non-renounceable and therefore cannot be transferred to any third party.

The offer of Unlisted Options pursuant to this Prospectus is available to each March Placement Shareholder and May Placement Shareholder only. Entitlement to this Offer arose because the Offeree invested in Shares pursuant to the March Placement or May Placement (as applicable). The entitlement to the Unlisted Options is non-renounceable and therefore cannot be transferred to any third party.

This Prospectus and the Offers are in the form of a deed poll made by the Company.

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

## 1.7 Risks

An investment in the Company is speculative in nature. Risks associated with investments in technology companies such as the Company are generally considered high. Offerees are directed to Section 6 which sets out a summary of certain key risks associated with making an investment in the Company.

## 1.8 Future performance

To the extent that this Prospectus contains forward looking statements, you should be aware that such statements are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. The Company gives no representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of the Company. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Prospectus in light of those disclosures.

## 1.9 Continuously quoted securities

This is a Prospectus for the offer of options to acquire continuously quoted securities (as defined in the Corporations Act) of the Company and has been prepared in accordance with section 713 of the Corporations Act. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

## 1.10 CHES

The Company participates in the Clearing House Electronic Subregister System (CHES). CHES is operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHES, the Company will not issue certificates to investors. Instead, securityholders will receive a statement of their holding in the Company. If an investor is broker sponsored, the ASX Settlement Pty Ltd will send a CHES statement.

## 1.11 Privacy Disclosure

The Company collects information (including personal information) in relation to each Offeree (**Information**) to service their needs as an investor (**Purpose**).

The Company may use the Information for the Purpose and the Company may disclose the Information for the Purpose to the Share Registry, the Company's related bodies corporate,



agents, contractors and third party service providers, and to ASX, ASIC and other regulatory authorities.

The Information may also be used and disclosed to persons inspecting the Register, including bidders for your securities in the context of takeovers, licensed securities dealers, mail houses, and regulatory bodies including the Australian Taxation Office.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth), the Corporations Act and rules such as the ASX Settlement Operating Rules.

#### **1.12 Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences connected with an investment in the Piggy Back Options and the Unlisted Options.

#### **1.13 Glossary**

Defined terms and abbreviations used in this Prospectus are explained in the Glossary (refer to section 10).

#### **1.14 Enquiries**

Any questions concerning the Offers should be directed to the Company Secretary, George Karafotias on (03) 9529 2644.

## 2. OVERVIEW

This information is a selective overview only, highlighting key information. The purpose of this Section is to give Offerees an investment overview that helps them make an informed investment decision. It is not intended to replace the other Sections of this Prospectus, which Offerees should read in full.

Query	Response	Where to find further information (section)
What is Connexion's business?	<p>Connexion develops smart car technology Software as a Service ("SaaS") solutions for the automotive industry.</p> <p>Connexion has developed two flagship software SaaS products:</p> <ul style="list-style-type: none"><li>- Flex: a cloud based integrated management system providing high end telematics to small fleet businesses to enable them to manage their entire fleet via a centralised control system; and</li><li>- miRoamer: an internet radio and music infotainment services offering over 35,000 stations to consumers around the world.</li></ul> <p>Connexion is also in the process of developing and trialling both existing and customised SaaS solutions with a number of global automakers.</p>	<p>Further information regarding the Company's business can be accessed from the ASX or via Connexion's website at <a href="http://www.connexionmedia.com.au">www.connexionmedia.com.au</a>.</p>
What is Connexion's recent performance?	<p>Connexion's business is relatively new and Connexion has only generated a small amount of revenue from sales to date.</p> <p>For the period ended 31 December 2015, Connexion incurred a net loss of \$3,258,032 and incurred net cash outflows from operating and investing activities of \$2,699,405. As at 31 December 2015, Connexion had an excess of current liabilities over current assets of \$27,584 and an excess of total liabilities over total assets of \$2,350,717.</p> <p>Whilst the Company's service products are being further trialled and developed and its sales</p>	<p>Connexion's financial reports can be accessed from the ASX or via Connexion's website at <a href="http://www.connexionmedia.com.au">www.connexionmedia.com.au</a>.</p>



Query	Response	Where to find further information (section)
	revenue is relatively small, the Company must raise additional funds through the issue of additional securities to cover forecast cash outflows.	
What does this Prospectus relate to?	<p>This Prospectus contains:</p> <ul style="list-style-type: none"> <li>- a Piggy Back Option Offer; and</li> <li>- an Unlisted Option Offer.</li> </ul>	See sections 3.1
What are the Offers?	<p>The Piggy Back Option Offer is made to Participating Primary Option Holders. Connexion is offering one Piggy Back Option for every Share acquired as a result of a Primary Option being exercised on or before 5.00pm on 1 January 2016.</p> <p>The Unlisted Options Offer is made to March Placement Shareholders and May Placement Shareholders. Connexion is offering one Unlisted Option for every two Shares acquired pursuant to the March Placement or May Placement (as applicable). The issue of Unlisted Options to May Placement Shareholders is subject to the Company obtaining Shareholder approval.</p>	See sections 4 and 5 for further details
What is the purpose of the Offers?	<p>The purpose of the Piggy Back Option Offer is to honour the obligations contained in the Prospectus' dated 2 February 2015 and 12 May 2015 in which the Company agreed it would issue 1 Piggy Back Option for every Primary Option that was exercised on or before 5.00pm 1 January 2016.</p> <p>The purpose of the Unlisted Option Offer is to honour the obligations of the Company pursuant to the March Placement and the May Placement to issue one Unlisted Option for every two Shares subscribed for by March Placement Shareholders and May Placement</p>	See section 3.2 for further details



Query	Response	Where to find further information (section)
	Shareholders.	
How much will be raised from the Offers?	<p>No funds will be raised on the issue of the Piggy Back Options or the Unlisted Options.</p> <p>If all 3,042,172 Piggy Back Options are exercised, the Company will raise \$760,543 (before costs).</p> <p>If all 7,133,617 Unlisted Options are exercised, the Company will raise \$1,783,404 (before costs).</p>	See section 3.3 for further details.
When will a dividend be paid on Shares?	<p>The Options do not carry an entitlement to receive dividends paid on Shares.</p> <p>The Company has no present intention to pay any dividends on Shares.</p>	
What are the key risks associated with the Company?	<p>As with an investment in any listed enterprise, there are risks associated with Connexion's business and general risks associated with many listed entities.</p> <p>A summary of risks specific to an investment in Connexion are as follows:</p> <ul style="list-style-type: none"> <li>the ability of the Company to continue as a going concern is dependent on the Company being able to raise additional funds as required for working capital;</li> <li>the Company's current business has only a minimal operating history upon which an evaluation of future prospects can be based; and</li> <li>only a small amount of revenue has been generated to date from its current operations. The Company is currently not a party to any contracts that guarantee a significant or</li> </ul>	See section 6 for further details.

Query	Response	Where to find further information (section)
	ongoing revenue stream.	
Are the Offers underwritten?	No	Not Applicable



### **3. PURPOSE AND EFFECT OF THE OFFERS**

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#### **3.1 The Offers**

Pursuant to this Prospectus the Company makes two Offers of Options as follows:

- (a) an offer of 3,042,172 Piggy Back Options to Participating Primary Option Holders as described in Section 4; and
- (b) an offer of 7,133,617 Unlisted Options to March Placement Shareholders and May Placement Shareholders as described in Section 5.

#### **3.2 Purposes of the Offers**

The purpose of the Piggy Back Option Offer is to honour the obligations of the Company contained in prospectus' dated 2 February 2015 and 12 May 2015 in which the Company agreed that it would offer 1 Piggy Back Option for every Share acquired as a result of a Primary Option being exercised on or before 5.00pm on 1 January 2016 by Participating Primary Option Holders.

The purpose of the Unlisted Option Offer is to honour the obligation of the Company to offer 1 Unlisted Option for every 2 Shares allotted to the March Placement Shareholders and the May Placement Shareholders pursuant to the March Placement and the May Placement, respectively. The issue of Unlisted Options to May Placement Shareholders is subject to the Company obtaining Shareholder approval in accordance with ASX Listing Rule 7.1 at the extraordinary general meeting to be held on or about 4 August 2016.

#### **3.3 Use of Funds**

No funds will be raised by the issue of the Options the subject of this Prospectus as they are being granted for no consideration.

The maximum that could be raised by the exercise of all of the Piggy Back Options issued under this Prospectus is \$760,543.

The maximum that could be raised by the exercise of all of the Unlisted Options issued under this Prospectus is \$1,783,404.

Any funds raised from the exercise of any of the Options will be applied towards capital expenditure and working capital requirements of the Company at that time.

#### **3.4 Effect on financial position**

The financial impact of the issue of the Options the subject of this Prospectus is that the Company will incur approximately \$12,350 of costs and expenses in connection with the preparation and lodgment of this Prospectus. Further information is provided in Section 9.6 of this Prospectus.

The financial impact on the Company if the maximum number of Piggy Back Options of 3,042,172 were exercised on or prior to their expiry date would be the receipt of additional capital of \$760,543 (before costs) and the issue of 3,042,172 Shares.

The financial impact on the Company if the maximum number of Unlisted Options of 7,133,617 were exercised on or prior to their expiry date would be the receipt of additional capital of approximately \$1,783,404 (before costs) and the issue of 7,133,617 Shares.

### 3.5 Effect on capital structure

The capital structure of the Company following completion of the Offers is summarised below.

Security	Number of Securities
Shares currently on issue	101,929,174
Primary Options currently on issue	81,577,598
Convertible Notes currently on issue *	20,000
Convertible Notes proposed to be issued (as announced on 22 June 2016 and per Cleansing Notice dated 5 July 2016)**	49,948
Piggy Back Options to be issued pursuant to this Prospectus	3,042,172
Unlisted Options to be issued pursuant to this Prospectus	7,133,617

\* These convertible notes were issued in August 2015 and have an aggregate face value of \$2,000,000 and a maturity date of 19 August 2017.

\*\* These convertible notes, assuming they are all issued, will have an aggregate face value of up to \$4,994,800 and a maturity date of the second anniversary of the initial issue date.

### 3.6 Effect on control

Offerees must have regard to and comply with the takeover provisions in section 606 of the Corporations Act (that is, the 20% voting power threshold) (CA s.606), when exercising Options offered pursuant to this Prospectus.

As the exercise of Options is subject to the restrictions in CA s.606, the Company does not expect that the exercise of Options under this Prospectus will have a material impact on the control of the Company.

### 3.7 Dividend Policy

Piggy Back Options and Unlisted Options do not entitle holders to participate in dividends. When Options are exercised and Shares are issued, the Shares will rank equally with existing Shares and accordingly Shareholders will have the opportunity to participate in any dividend declared after they are issued.

Future dividends will be determined by the Board and will be dependent on various matters. The Board does not currently have an intention to pay dividends in the immediate future.



Factors beyond the control of Directors, such as those listed in Section 6, may affect Connexion's level of profitability and its ability to pay future dividends. Consequently the Directors cannot give any assurances concerning the payment of any future dividends.

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#### **4. DETAILS OF THE PIGGY BACK OPTION OFFER**

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##### **4.1 What is the Piggy Back Option Offer?**

The Company is making an offer of 1 Piggy Back Option for every Share acquired as a result of a Listed Option being exercised on or before 5.00pm on 1 January 2016 (being an offer of 3,042,172 Piggy Back Options in total).

##### **4.2 Who is the Piggy Back Option Offer made to?**

The offer of Piggy Back Options is made to each Participating Primary Option Holder only.

The Piggy Back Option Offer is non-renounceable and therefore cannot be transferred to any third party.

##### **4.3 What do Participating Primary Option Holders have to do?**

This Prospectus and the Piggy Back Option Offer are in the form of a deed poll made by the Company. Accordingly, Participating Primary Option Holders do not need to do anything to receive their Piggy Back Options. They will be issued to them on the First Issue Date.

##### **4.4 What is the issue price of a Piggy Back Option?**

Participating Primary Option Holders will pay no issue price for their Piggy Back Options.

Accordingly, no funds will be raised through the issue of the Piggy Back Options. However, if all of the Piggy Back Options are exercised the Company will raise \$760,543 (before costs). Any proceeds received from the exercise of the Piggy Back Options are to be used by the Company for capital expenditure and working capital.

##### **4.5 Will the Piggy Back Options be Quoted?**

The Company will not apply to the ASX for Official Quotation of any of the Piggy Back Options.

##### **4.6 What are the terms of the Piggy Back Options?**

The full terms of the Piggy Back Options are set out in Section 7.1. To summarise:

- (a) The Piggy Back Options will entitle the holder to acquire 1 Share at an exercise price of \$0.25 and may be exercised up to 1 January 2018.
- (b) All Shares issued on the exercise of the Piggy Back Options will, from their date of issue, rank equally in all respects with all the Shares on issue at the date of this Prospectus.



## **5. DETAILS OF THE UNLISTED OPTION OFFER**

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### **5.1 What is the Unlisted Option Offer?**

The Company is making an offer of 1 Unlisted Option for every 2 Shares acquired by March Placement Shareholders and May Placement Shareholders as a result of the issue of Shares pursuant to the March Placement and the May Placement (being an offer of 7,133,617 Unlisted Options in total).

### **5.2 Who is the Unlisted Option Offer made to?**

The offer of Unlisted Options is made to each March Placement Shareholder and each May Placement Shareholder only.

The Unlisted Option Offer is non-renounceable and therefore cannot be transferred to any third party.

### **5.3 What do March Placement Shareholders and May Placement Shareholders have to do?**

This Prospectus and the Unlisted Option Offer are in the form of a deed poll made by the Company. Accordingly, March Placement Shareholders and May Placement Shareholders do not need to do anything to receive their Unlisted Options. Unlisted Options will be issued to March Placement Shareholders on the First Issue Date. Subject to the Company obtaining Shareholder approval, Unlisted Options will be issued to May Placement Shareholders on the Second Issue Date.

### **5.4 What is the issue price of an Unlisted Option?**

March Placement Shareholders and May Placement Shareholders will pay no issue price for their Unlisted Options.

Accordingly, no funds will be raised through the issue of the Unlisted Options. However, if all of the Unlisted Options are exercised the Company will raise \$1,783,404 (before costs). Any proceeds received from the exercise of the Unlisted Options are to be used by the Company for capital expenditure and working capital.

### **5.5 Will the Unlisted Options be Quoted?**

The Company will not apply to the ASX for Official Quotation of any of the Unlisted Options.

### **5.6 What are the terms of the Unlisted Options?**

The full terms of the Unlisted Options are set out in Section 7.2. To summarise:

- (a) The Unlisted Options will entitle the holder to acquire 1 Share at an exercise price of \$0.25 and may be exercised up to the second anniversary of their issue.
- (b) All Shares issued on the exercise of the Unlisted Options will, from their date of issue, rank equally in all respects with all the Shares on issue at the date of this Prospectus.

## 6. RISK FACTORS

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### 6.1 Overview

There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company and the value of an investment in the Company.

Some of these factors can be mitigated by the use of safeguards and appropriate commercial action. However, many are outside the control of the Company and cannot be mitigated.

Prior to exercising any Options, optionholders should carefully consider the risk factors applying to the Company and its operations at the time of exercise.

This section describes certain risks associated with the Company and its operations as at the date of this Prospectus. As some time may lapse between the date of this Prospectus and the exercise of an Option, the risk factors set out in this Prospectus may not be applicable and/or new risk factors may emerge. The Company is not likely to update this Prospectus and the risk factors prior to the exercise of any Option. Offerees should not rely on this Prospectus as the sole basis for making an investment decision. Offerees should consider seeking independent taxation and financial advice before making such a decision.

### 6.2 Specific Risk Factors

#### (a) *Going concern*

The Company's financial statements for the period ending 31 December 2015 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is principally dependent upon the Company raising additional capital.

As disclosed in the financial statements, the consolidated entity incurred losses of \$3,258,032 and had net cash outflows from operating and investing activities of \$2,699,405 for the half year ended 31 December 2015. As at 31 December 2015 the consolidated entity had an excess of current liabilities over current assets of \$27,584 and an excess of total liabilities over total assets of \$2,350,717.

These factors indicate uncertainty as to whether the Company and consolidated entity will continue as a going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that it is reasonably foreseeable that the Company and consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

There is a risk that this belief may not be valid, and that the Company and consolidated entity may not continue as going concerns.

#### (b) *On-going capital requirements for the Company*

If the Company requires access to further funding at any stage in the future, the Company may be adversely affected in a material way if, for any reason, access to that capital is not available. There can be no assurance that additional funds will



be available. If additional funds should be raised by issuing equity securities, this might result in dilution to the then existing shareholders.

(c) *Limited operating history*

The Company's business has only a minimal operating history upon which an evaluation of future prospects can be based. Investors must consider the risks and difficulties frequently encountered by businesses with limited operating histories.

No assurances can be given that the Company will achieve commercial viability through its services.

(d) *Only a small amount of revenue has been generated*

The Company has only generated a small amount of revenue from operations. The Company's ability to generate revenue from operations is dependent on:

- (i) sufficient consumer uptake; and
- (ii) identifying, and entering into contracts with, suitable counter-parties.

It is possible that consumer uptake will be less than anticipated.

If customers do not take up the Company's services then that will negatively affect the Company's ability to generate revenue.

(e) *Reliance on key personnel*

The Company's operational success depends on the continuing efforts of its senior executives (in particular George Parthimos). The loss of services of one or more senior executives may have an adverse effect on the Company's operations.

(f) *Competition*

The Company's performance may be affected by the level of competition in the regions and markets in which it operates, which may result in general price reductions, reduced operating margins and a loss of market share.

(g) *Security Risks*

The hardware component of some of the Company's services is installed into vehicles and is accessible through cellular data connectivity. Data is then stored in a cloud service accessible through a website portal. If the Company's security measures are breached, or if its services are subject to cyber-attacks that restrict user access to its services, loss of users or liability for damages could adversely affect the Company's brand and operating results.

(h) *Reliance on suppliers*

The Company relies on a number of key suppliers to provide the hardware component of its services. The loss of a supplier may have an adverse effect on the Company's operations as the Company will need to seek an alternative supplier which could cause delays or increased costs in the provision of its services.

(i) *Reliance on access to internet and mobile networks*

The Company's success will depend on the ability of its users to access the internet and mobile networks. Should access be disrupted, restricted or affected, usage of the Company's services may be negatively impacted.

(j) *Foreign Currency Risk*

The Company is exposed to exchange rate movements, in particular movements in, A\$/US\$ rate. Some of the goods and services used in connection with the Company's services are purchased in foreign currency, primarily US dollars, and



therefore movements in exchange rates impact on the amounts paid for goods and services which could impact the Company's financial performance.

(k) *Threat to intellectual property*

The Company must rely on a combination of confidentiality and license agreements with its consultants and third parties with whom it has relationships, as well as domain name, trade secret and copyright laws, to protect its brand and other intellectual property rights. However, various events outside of the Company's control could pose a threat to its intellectual property rights, as well as to its services and technologies.

(l) *Service failures*

The performance of the Company's technologies and services is critical to its reputation and to its ability to achieve market acceptance of these services. Any service failure or failure of a service to meet a customer's needs and requirements could have a material adverse effect on the Company's business, results of operations and financial conditions.

(m) *Reliance on new services*

The Company's success will depend, in part, on its ability to expand its services and grow its business in response to changing technologies, user and third party service providers' demands and competitive pressures. Failure to do so may impact the success of the Company.

(n) *Superseding technology*

There is a risk that, as marketable technologies continue to develop in the IT industry, there may be certain information technology and product developments that supersede, and render obsolete, the service offerings of the Company, which would negatively affect the Company's profitability.

(o) *No current intention to pay dividends*

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, Shareholders may need to rely on sales of their Shares to realise any future gains on their investment.

### 6.3 General Risk Factors

(a) *Securities investment*

Offerees should be aware that there are risks associated with investment in securities of companies listed on a stock exchange. The value of the Company's securities can be expected to fluctuate depending on various factors including general worldwide economic conditions, changes in government policies, investor perceptions, movements in interest rates and stock markets, prices of the Company's services, variations in the operating costs and costs of capital replacement which the Company may in the future require.

(b) *Economic risk and external market factors*

Factors, such as, but not limited to, political movements, stock market trends, changing customer preferences, interest rates, inflation levels, commodity prices, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes, may all have an adverse impact on the Company's operating costs, profit margins and share price. These factors are beyond the control of the Company and the Company cannot, to any degree of certainty, predict how they will impact on the Company.

(c) *War and terrorist attacks*

War or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region. There could also be a resultant material adverse effect on the business, financial condition and financial performance of the Company.

(d) *Legislative changes, Government policy and approvals*

Changes in relevant taxes, legal and administration regimes, accounting practices and government policies in Australia and in other places where the Company conducts its business may adversely affect the financial performance of the Company.

#### **6.4 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by 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 Piggy Back Options and Unlisted Options offered under this Prospectus, and the Shares issued on exercise of those options.

Therefore, the Shares issued on exercise of the Piggy Back Options and Unlisted Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.



## 7. TERMS AND CONDITIONS OF SECURITIES

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### 7.1 Terms and conditions of Piggy Back Options

The terms and conditions of each Piggy Back Option are as follows:

- (a) Each Piggy Back Option is exercisable at any time at the Exercise Price, payable in full on exercise of the option.
- (b) Each Piggy Back Option automatically expires at 5.00 pm on the Expiry Date.
- (c) The Company will not apply to the ASX for Official Quotation of the Piggy Back Options.
- (d) Each Piggy Back Option entitles the holder to subscribe for 1 New Share upon exercise of the option and payment of the Exercise Price.
- (e) The Company must give the holder of each Piggy Back Option a certificate or holding statement stating:
  - (i) the number of Piggy Back Options issued to each holder;
  - (ii) the Exercise Price of the Piggy Back Options; and
  - (iii) the date of issue of the Piggy Back Options.
- (f) Subject to the provisions of the Company's trading policy, Piggy Back Options may only be exercised during the hours of 8.30am to 5.00pm (**Business Hours**) by the delivery to the registered office of the Company or the Share Registry of a notice in writing stating the intention of the holder to:
  - (i) exercise all or a specified number of the Piggy Back Options; and
  - (ii) pay the Exercise Price in full for the exercise of each such Piggy Back Option.
- (g) A notice in writing received outside of Business Hours will be deemed received at the next opening of Business Hours.
- (h) The exercise notice must be accompanied by the certificate or holding statement for the Piggy Back Options being exercised and a cheque made payable to the Company for the Exercise Price for the Piggy Back Options being exercised.
- (i) The Piggy Back Options will be deemed to have been exercised on the date the exercise notice is received or deemed to be received by the Company or the Share Registry.
- (j) The Company will allot the Shares to which a holder is entitled following exercise of Piggy Back Options and deliver a holding statement with respect to such Shares within the timeframe required by the Listing Rules.
- (k) The exercise of only some Piggy Back Options will not affect the rights of the holder to the balance of the Piggy Back Options held by them.



- (l) If the holder of the Piggy Back Options exercises less than the total number of Piggy Back Options registered in the holder's name:
- (i) the holder of the Piggy Back Options must surrender its option certificate, if one has been issued by the Company; and
  - (ii) the Company must cancel the certificate and issue the holder of the Piggy Back Options a new certificate or holding statement stating the remaining number of Piggy Back Options held by the holder and stating the information set out above.
- (m) Piggy Back Options will not confer an entitlement to receive dividends declared and paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Piggy Back Options has exercised the Piggy Back Options before the record date for determining these entitlements and participates as a result of holding Shares.
- (n) All Shares issued on exercise of a Piggy Back Option bear the rights set out in 7.3.
- (o) A holder of Piggy Back Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Piggy Back Options.
- (p) In the event of a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the holders of Piggy Back Options (including, without limitation, the number of Piggy Back Options to which the optionholder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (q) If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Piggy Back Options before the record date for determining entitlements to the issue, the Exercise Price of each Piggy Back Option will be reduced in the manner permitted by the Listing Rules applying at the time of the pro-rata issue.
- (r) If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Piggy Back Option before the record date for determining entitlements to the issue, then the number of Shares over which that Piggy Back Option is exercisable will be increased in the manner permitted by the Listing Rules applying at the time of the bonus issue.
- (s) The Company is entitled to treat the registered holder of a Piggy Back Option as the absolute holder of that Piggy Back Option and is not bound to recognise any equitable or other claim to, or interest in, that Piggy Back Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.
- (t) If there is any inconsistency between any of the preceding terms and conditions and the Listing Rules, then the Listing Rules prevail to the extent of the inconsistency.

## 7.2 Terms and conditions of Unlisted Options

The terms and conditions of each Unlisted Option are as follows:

- (a) Each Unlisted Option entitles the holder to subscribe for 1 New Share upon exercise of the option and payment of the Exercise Price.
- (b) Each Unlisted Option is exercisable at any time at the Exercise Price payable in full on exercise of the option.
- (c) Each Unlisted Option automatically expires at 5.00pm on the Expiry Date.
- (d) The Unlisted Options will be unlisted and the Company will not apply to the ASX for official quotation of the Unlisted Options.
- (e) Unlisted Options will not confer an entitlement to receive dividends declared and paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Unlisted Options has exercised the Unlisted Options before the record date for determining these entitlements and participates as a result of holding Shares.
- (f) The Company will apply to the ASX for official quotation of the Shares issued upon exercise of Unlisted Options within the time period required by the Listing Rules.
- (g) A holder of Unlisted Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Unlisted Options.
- (h) In the event of a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the holders of Unlisted Options (including, without limitation, the number of Options to which the optionholder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (i) If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Unlisted Options before the record date for determining entitlements to the issue, the Exercise Price of each Unlisted Option will be reduced in the manner permitted by the Listing Rules applying at the time of the pro-rata issue.
- (j) If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Unlisted Option before the record date for determining entitlements to the issue, then the number of Shares over which that Unlisted Option is exercisable will be increased in the manner permitted by the Listing Rules applying at the time of the bonus issue.



### 7.3 Rights attaching to Shares

Shares issued upon the exercise of the Piggy Back Options and Unlisted Options granted under this Prospectus will be fully paid ordinary shares in the Company and once issued, rank pari passu with existing Shares.

The rights attaching to shares are set out in the Company's constitution, and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules and general law. The constitution of the Company may be inspected during Business Hours at the registered office of the Company at Level 3, 600 St Kilda Road, Melbourne.

The following is a summary of the principal rights of the holders of ordinary shares of the Company (being the security underlying the Piggy Back Options and Unlisted). This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's members.

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per share on a poll.

A person who holds a share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share.

Where there are 2 or more joint holders of a share, only the member whose name appears first in the Register is entitled to vote at a general meeting.

(c) Issues of further shares

The Directors may:

- (i) issue or dispose of shares to any person at any time and on any terms and conditions and having attached to them any preferred, deferred or other special rights or restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors think; and
- (ii) grant to any person an option over shares or pre-emptive rights at any time and for any consideration as they think fit.

The Directors must ensure that the issue of securities following the exercise, conversion or paying up of any security of the Company quoted by ASX is not in any



way prevented, delayed or interfered with by the Company except as permitted by the Listing Rules.

(d) Variation of rights

At present, the Company has on issue one class of shares only, namely ordinary shares.

The Company may vary or cancel the rights attaching to any class of shares only if the variation or cancellation is permitted by the Corporations Act and is approved by special resolution of each of the members holding shares of the relevant class.

The Directors must give written notice of the variation or cancellation to the members holding the shares of the relevant class within seven days of the variation or cancellation.

(e) Transfer of shares

Subject to the Company's constitution, the Corporations Act and the Listing Rules, ordinary shares are freely transferable.

Subject to the Corporations Act, the Listing Rules or the Operating Rules, Shares are transferable by an instrument of transfer in writing in any usual or common form or in any other form that the Directors approve.

The Board may refuse to register a transfer of shares only if that refusal would not contravene the Listing Rules or the Operating Rules. If the Board refuses to register a transfer, the Company must give the lodging party written notice of the refusal and the reasons for it within 5 Business Days after the transfer is delivered to the Company. The Board must not register a transfer of shares if the Corporations Act, the Listing Rules or the Operating Rules forbid registration.

(f) Dividends

Subject to the Company's constitution and the Corporations Act, the Board may resolve to pay any dividend it thinks appropriate and fix the time for payment. Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class.

Each share of a class on which the Board resolves to pay a dividend carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (excluding any amount paid in advance of calls) bears to the total issue price of the share.

(g) Winding up

Subject to the Company's constitution, the Corporations Act and to the terms of issue of the shares, if the Company is wound up and the property of the Company available is more than sufficient to pay:

- (i) all the debts and liabilities of the Company; and

- (ii) the costs, charges and expenses of the winding up, the members will be entitled to participate in any surplus assets of the Company in proportion to the percentage of the capital paid up on their shares.

(h) Dividend reinvestment and share plans

The Board may adopt and implement dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company) and any other share plans (under which any member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of fully paid shares).

(i) Directors

The Company's constitution states that the minimum number of Directors is 3.

(j) Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Company's constitution, the Board has power to manage the business of the Company and may exercise every right, power or capacity of the Company to the exclusion of the members (except to sell or dispose of the main undertaking of the Company).



## **8. CONTINUOUS DISCLOSURE OBLIGATIONS**

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### **8.1 Nature of this Prospectus**

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities to issue a prospectus with less rigorous disclosure requirements if:

- (a) the securities offered by the prospectus are in a class of securities that have been quoted securities at all times in the 3 months before the date of the prospectus or are options to acquire those securities; and
- (b) the company is not subject to certain exemptions or declarations prescribed by the Corporations Act.

Securities are quoted securities if:

- (a) the company is included in the Official List; and
- (b) the Listing Rules apply to those securities.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information necessary to make an informed assessment of:

- (a) the effect of the Offers on Connexion; and
- (b) the rights and liabilities attaching to the securities offered by this Prospectus.

A substantial amount of information concerning Connexion has previously been notified to the ASX and is therefore publicly available.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to Connexion which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Offerees should therefore also have regard to the other publicly available information in relation to Connexion before making a decision whether or not to exercise the Piggy Back Options or Unlisted Options (as applicable). Information can be accessed from ASX or via Connexion's website at [www.connexionmedia.com.au](http://www.connexionmedia.com.au).

### **8.2 Regular reporting and disclosure obligations**

Connexion is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

These obligations require Connexion to notify the ASX of information about specified events and matters as they arise for the purposes of the ASX making that information available to the stock market conducted by the ASX. In particular, Connexion has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information of which it becomes aware concerning Connexion which a reasonable person would expect to have a material effect on the price or value of securities in Connexion.



Connexion is also required to prepare and lodge with ASIC both yearly and half yearly financial statements accompanied by a Directors' statement and report and an auditor's report.

All announcements made by Connexion are available from the ASX.

Having taken such precautions and having made such enquiries as are reasonable, Connexion believes that it has complied with the general and specific requirements of the ASX (as applicable from time to time throughout the 12 months before the issue of this Prospectus) which require Connexion to notify the ASX of information about specified events or matters as they arise, for the purpose of the ASX making that information available to the market.

Connexion believes there is no other information that investors would reasonably require for the purposes of making an informed assessment of the effect of the Offers on Connexion and the rights and obligations attaching to the Piggy Back Options and Unlisted Options offered under this Prospectus (and the underlying shares), which has been excluded from a continuous disclosure notice in accordance with the Listing Rules.

### 8.3 Your right to obtain copies of Connexion's documents

Copies of any documents in relation to Connexion which are lodged with ASIC may be obtained from, or inspected at, an ASIC office.

During the period that the Offers remains open, Connexion will provide copies of the following to any person on request, free of charge:

- (a) Connexion's annual financial report for the year ended 30 June 2015 (being the last annual financial report that has been lodged with ASIC before lodgement of this Prospectus);
- (b) Connexion's financial report for the half-year ended 31 December 2015 (being the last half-year financial report that has been lodged with ASIC before lodgement of this Prospectus); and
- (c) any continuous disclosure notices used to notify ASX of information relating to Connexion between 31 August 2015 (being the date of lodgement of the financial report referred to in paragraph (a) with ASIC) and the date of lodgement of this Prospectus, being the following:

Date	Headline
05/07/2016	Cleansing Notice
22/06/2016	Connexion Secures Funding to Accelerate Growth
20/06/2016	Request for Trading Halt
20/06/2016	Trading Halt
23/05/2016	Company Update
06/05/2016	Change of Director's Interest Notice
03/05/2016	Appendix 3B

02/05/2016	March Quarter Review
02/05/2016	Appendix 4C – quarterly
15/04/2016	GM Offers Free Trial of Commercial Link
13/04/2016	Placement and Corporate Update
11/04/2016	Trading Halt
08/04/2016	Results of Meeting
04/04/2016	GM's Commercial Link Goes Live in the U.S.A.
31/03/2016	Trading Halt
18/03/2016	Oracle Update
11/03/2016	Commsec Executive Series Interviews Connexion CEO
09/03/2016	Notice of Meeting
07/03/2016	Amended Appendix 3B
07/03/2016	Corporate Presentation
07/03/2016	Oracle Partnership Agreement
04/03/2016	Cleansing Notice
03/03/2016	Final Director's Interest Notice
03/03/2016	Initial Director's Interest Notice
03/03/2016	Appointment and Resignation of Director
03/03/2016	Appendix 3B
29/02/2016	Half Year Accounts
18/02/2016	Reinstatement to Official Quotation
18/02/2016	Connexion Secures Funding for Continued Commercialisation
16/02/2016	Suspension from Official Quotation
12/02/2016	Trading Halt Request
12/02/2016	Trading Halt
01/02/2016	Rhapsody Content Access Agreement
29/01/2016	December Quarter Review
29/01/2016	Appendix 4C – quarterly
28/01/2016	Details of Company Address
15/01/2016	Appendix 3B - Conversion of Options
13/01/2016	Appointment of CFO
11/01/2016	Appendix 3B - Conversion of Options
11/01/2016	miRoamer iOS App Launch
07/01/2016	Connexion Media Supplier for GM's 'Commercial Link' Service
04/01/2016	Appendix 3B - Conversion of Options
29/12/2015	Appendix 3B - Conversion of Options



18/12/2015	Change of Director's Interest Notice
18/12/2015	Appendix 3B - Conversion of Options
16/12/2015	US Automaker to Exhibit Customised Flex Product at CES
14/12/2015	miRoamer Presentation
09/12/2015	Appendix 3B - Conversion of Options
30/11/2015	Expiry Of Piggy Back Option
30/11/2015	Change of Director's Interest Notice
30/11/2015	New Corporate Website
27/11/2015	Results of Meeting
27/11/2015	AGM Company Presentation
27/11/2015	Chairman's Address AGM
23/11/2015	Flex iOS App Launch
18/11/2015	Change of Director's Interest Notice
13/11/2015	US Automaker Launch Update
27/10/2015	September Quarterly Review
27/10/2015	Appendix 4C – quarterly
26/10/2015	Notice of Annual General Meeting/Proxy Form
19/10/2015	Corporate Update and Revenue Guidance
28/09/2015	Reinstatement to Official Quotation
28/09/2015	Flex Contract with Major Fuel Card Provider
25/09/2015	Suspension from Official Quotation
23/09/2015	Trading Halt
22/09/2015	miRoamer at Frankfurt Motor Show
21/09/2015	Change of Director's Interest Notice
14/09/2015	Flex Capacity Increase

#### 8.4 Documents available for inspection

The following documents are available for inspection during Business Hours at the registered office of Connexion:

- (a) this Prospectus;
- (b) the constitution of Connexion; and
- (c) the consent referred to in section 9.5 of this Prospectus.



## 9. ADDITIONAL INFORMATION

### 9.1 Litigation

The Company is not currently involved in any material litigation. The Directors are not aware of any contemplated or threatened material litigation.

### 9.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director of the Company, and no firm in which a Director or proposed Director of the Company is a partner, holds, or held at any time during the last 2 years before the date of this Prospectus, 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 its formation or promotion or in connection with the Offers, or
- (c) 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 Director or proposed director of the Company:

- (a) to induce them to become, or to qualify them as, a Director; or
- (b) for services rendered by them in connection with the formation or promotion of the Company or in connection with the Offers.

Directors are not required under the Company's constitution to hold any shares in the Company.

The table below shows the interest of each Director (whether held directly or indirectly) in securities of the Company and their annual remuneration as at the date of this Prospectus:

Director	Securities	Remuneration
Mr John Conomos	20,000 Shares	\$50,000 plus superannuation
Mr George Parthimos	48,600,000 Shares * 741,667 Options	\$275,000 plus superannuation and car allowance
Mr Ashley Kelly	620,500 Shares	\$90,000 plus superannuation
Mr John Dimitropoulos	166,667 Shares	\$27,150 plus superannuation
Mr Eric Jiang	7,563,000 Shares 5,000,000 Options	\$90,000 plus superannuation

\* 48,164,052 Shares are held by MMH, and Mr Parthimos holds approximately 29% of the issued shares of MMH.

Directors may hold the relevant interests in Shares shown above directly, or indirectly through holdings by companies, trusts or other persons with whom they are associated.

### **9.3 Related party transactions**

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus or in publicly available information.

### **9.4 Interests of other persons**

Other than as set out below or elsewhere in this Prospectus, no 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, and no promoter of the Company holds, or held at any time during the last 2 years before the date of this Prospectus, 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 its formation or promotion or in connection with the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given to any of these persons for services rendered by them in connection with the formation or promotion of the Company or in connection with the Offers.

### **9.5 Consent**

KHQ Lawyers as legal advisors to the Company has consented to being named in this Prospectus and has not withdrawn such consent prior to lodgement of this Prospectus with ASIC but, except as expressly noted in this Prospectus, KHQ Lawyers:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus other than as specified in this section;
- (c) has not made any statement on which a statement in this Prospectus is based, other than as specified in this section; and
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus other than the reference to its name and the statement (if any) included in this Prospectus with the consent of that party as specified in this section.

### **9.6 Expenses of the Offers**

The estimated costs of the Offers are:



Item	Estimated Costs
ASIC fees	\$2,350
Other expenses (including legal and share registry)	\$10,000
<b>Total</b>	<b>\$12,350</b>

These expenses are payable by the Company.

#### 9.7 Director's authorisation

This Prospectus is issued and the Offers are made by the Company as a deed poll.

Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board.

Dated: 6<sup>th</sup> July 2016



George Parthimos

Director

## 10. GLOSSARY

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<b>ASIC</b>	means Australian Securities and Investment Commission
<b>ASX</b>	means ASX Limited ABN 98 008 624 691.
<b>ASX Settlement Operating Rules</b>	means the ASX Settlement Operating Rules
<b>Board or Board of Directors</b>	means the board of directors of the Company.
<b>Business Day</b>	means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Melbourne, Australia.
<b>CHESS</b>	means Clearing House Electronic Subregister System operated by ASTC
<b>Company or Connexion</b>	means Connexion Media Limited (ABN: 68 004 240 313) (ASX: CXZ).
<b>Constitution</b>	means the Company's constitution as at the date of this Prospectus.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company as at the date of this Prospectus.
<b>Exercise Price</b>	means the price payable on the exercise of a Piggy Back Option or an Unlisted Option for one Shares under this Prospectus, being \$0.25 per Share.
<b>Expiry Date</b>	means: <ul style="list-style-type: none"><li>- in respect of the Piggy Back Options, 1 January 2018;</li><li>- in respect of the Unlisted Options to be issued to March Placement Shareholders, the second anniversary of the First Issue Date; and</li><li>- in respect of the Unlisted Options to be issued to May Placement Shareholders, the second anniversary of the Second Issue Date.</li></ul>
<b>Issue Date</b>	means the First Issue Date and/or the Second Issue Date as set out in the timetable in Section 1.1.
<b>Listing Rules</b>	means the listing rules of the ASX.
<b>March Placement</b>	means the placement of Shares to new institutional and sophisticated investors undertaken by the Company in March 2016 to raise \$900,000.
<b>March Placement Shareholders</b>	means Shareholders with registered addresses in Australia and New Zealand that are a Shareholder as a result of participation in the March Placement.
<b>May Placement</b>	means the placement of Shares to new professional and sophisticated investors of JB Advisory Pty Ltd ACN 128 893 247 undertaken by the Company in May 2016 to raise \$1,668,101.94.
<b>May Placement Shareholders</b>	means Shareholders with registered addresses in Australia and New Zealand that are a Shareholder as a result of



	participation in the May Placement.
<b>Offer</b>	means the Piggy Back Option Offer and/or the Unlisted Option Offer, as the context requires.
<b>Offeree</b>	means a Participating Primary Option Holder and/or a March Placement Shareholder and/or a May Placement Shareholder, as the context requires.
<b>Official List</b>	means the Official List of the ASX.
<b>Operating Rules</b>	means the operating rules of the ASX.
<b>Option</b>	means an option to acquire a Share.
<b>Participating Primary Option Holders</b>	means Primary Option Holders with registered addresses in Australia and New Zealand that are a Shareholder as a result of the exercise of a Primary Option on or before 5.00pm (Melbourne time) on 1 January 2016.
<b>Piggy Back Option</b>	means an option to acquire Shares on the terms and conditions set out in Section 7.1.
<b>Piggy Back Option Offer</b>	means the non renounceable offer made under this Prospectus of Piggy Back Options to Participating Primary Option Holders.
<b>Primary Option</b>	means an option offered pursuant to a prospectus dated 2 February 2015 and 12 May 2015.
<b>Primary Option Holder</b>	means a holder of at least one Primary Option.
<b>Prospectus</b>	means this prospectus.
<b>Quotation and Official Quotation</b>	means the official quotation on ASX.
<b>Register</b>	means the register of Shareholders.
<b>Section</b>	means a section of this Prospectus.
<b>Share</b>	means a fully paid ordinary shares in the capital of the Company.
<b>Shareholder</b>	means the registered holder of a Share as recorded in the Register.
<b>Share Registry</b>	means Boardroom Pty Limited.
<b>Unlisted Option</b>	means an option to acquire Shares on the terms and conditions set out in Section 7.2.
<b>Unlisted Option Offer</b>	means the non renounceable offer made under this Prospectus of Unlisted Options to March Placement Shareholders and May Placement Shareholders.