



ASX Release

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Placement and Rights Issue Update

Tuesday, 7 August, 2012.

Placement to Thorney Holdings Pty Ltd

The Directors of Investorfirst Limited (ASX:INQ, the **Company**) are pleased to announce a placement of 70,000,000 ordinary shares representing approximately 10.2% of the issued ordinary shares in the capital of the Company (as at the date of this announcement) to Thorney Holdings Pty Ltd (**Thorney**) (and associated entities) at an issue price of 1.5c per share, raising \$1.05 million.

This placement is separate to the Rights Issue announced on 20 July 2012 at the same price. In relation to the shares issued pursuant to this placement, Thorney does not have an entitlement to participate in the Rights Issue.

Given the current Rights Issue is not underwritten, the placement provides the Company with certainty in relation to the Company's capital requirements and, in conjunction with the Rights Issue, places it in a strong position to continue its strategy of rolling out the HUB24 platform to financial advisers and consolidating the stockbroking division of the Company.

The placement confirms Thorney, a current substantial shareholder and one of Australia's premier investment groups, as a continued supporter of the Company's strategy.

Following completion of the placement which is expected to be around 17 August 2012, Thorney (and its associated entities) will have a relevant interest of approximately 16.9% in the issued shares of the Company. This shareholding may change depending on the amount of capital raised pursuant to the Rights Issue and the extent to which Thorney subscribes for its pro rata entitlement, based on its existing shareholding. Under the terms of the placement agreement, the number of shares to be issued in the placement will be scaled-back and adjusted to the extent necessary to ensure that after the issue of shares under the Rights Issue and the placement, Thorney's voting power in the Company does not exceed 20%.

As required by rule 3.10.5 of the ASX Listing Rules, an Appendix 3B in respect of the placement shares will be given to ASX when the shares are issued. The Company also intends to give to ASX a notice under section 708A(6) of the Corporations Act at that time.

Rights Issue Update

The Placement is being announced today to ensure that Shareholders are fully informed in relation to the Company's capital raising activities.

Further, Mr Ian Litster (and associated entities), currently the Company's largest shareholder, has welcomed Thorney's investment and has indicated he will subscribe to the Rights Issue.



All Directors of the Company eligible to participate have indicated that they will support the Rights Issue.

Shareholders are reminded that the Rights Issue closes at 5.00pm on 15 August 2012.

ENDS



Issued by Investorfirst Ltd (ASX: INQ).

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