ASX Release

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Notification of Rights Issue Acceptances & Shortfall Statement

Monday, 20 August, 2012. Investorfirst Limited (ASX: **'INQ'**, the **'Company'**) advises that it has raised a total of $6.9m through the rights issue and recently announced placement to Thorney Holdings Pty Ltd **(and associated entities) ("Thorney")**. Combined with INQ's existing cash reserves of approximately $6m, this places the Company in a strong position to develop the HUB24 platform and stockbroking business.

In relation to the 1 for 1 non-renounceable pro-rata rights issue ('**Rights Issue**'), which closed on 15 August 2012, INQ received acceptances for a total of 325,557,962 new shares raising $4,883,369. INQ also received applications for 65,961,452 shares in addition to shareholders' entitlements raising an additional $989,422, giving a total raised of $5,872,791. Directors are pleased with the level of continuing support of the major shareholders. All shareholders that applied for additional shares (above their entitlement) will be allocated the shares that they applied for.

The maximum number of new shares to be issued under the Rights Issue was 686,544,268 shares, as set out in the Offer Statement dated 26 July 2012, resulting in a shortfall 295,024,854 shares[1] ('**Shortfall Shares**').

As disclosed in the Offer Statement, the Directors reserve the right to place the Shortfall Shares at the same price of $0.015 cents per share. The Company is encouraged by the level of interest already received from both existing shareholders and third parties in the Shortfall Shares and will make a separate announcement in relation to this.

The issue of 391,519,414 new fully paid ordinary shares is expected to occur on 23 August 2012 with deferred settlement trading on ASX of these shares scheduled to end on that date and normal trading scheduled to commence on 24 August 2012. Despatch of holding statements is expected to occur on 23 August 2012.

The company is also pleased to confirm completion of the placement of 70 million fully paid ordinary shares in the Company to Thorney raising $1.05m. The shares were issued today, and an appendix 3B in relation to this issue accompanies this ASX announcement.

The Company expects to release the full year results for the 2012 financial year prior to the end of the month.

ENDS

Issued by Investorfirst Limited (ASX: INQ).

For further information please contact:

[1] Subject to final reconciliation and issue of updated Appendix 3B.

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