

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

EML Payments Limited (**Company**)

ABN

93 104 757 904

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued Fully paid ordinary shares (**Shares**)

+ See chapter 19 for defined terms.

- | | |
|--|---|
| <p>2 Number of +securities issued or to be issued (if known) or maximum number which may be issued</p> | <p>The Company will issue 18,824,660 new Shares on Wednesday, 20 November 2019 pursuant to the terms of the placement to new and existing institutional shareholders announced by the Company to ASX on 11 November 2019 (Placement).</p> <p>The Company will issue approximately 51,091,614 new Shares pursuant to the terms of the accelerated pro-rata non-renounceable entitlement offer announced by the Company to ASX on 11 November 2019 (Entitlement Offer). Of this number:</p> <ul style="list-style-type: none"> • 24,992,660 new Shares will be issued on Wednesday, 20 November 2019 under the institutional component of the Entitlement Offer (Institutional Entitlement Offer); and • approximately 26,098,954 new Shares are expected to be issued on Friday, 6 December 2019 under the retail component of the Entitlement Offer (Retail Entitlement Offer), subject to the determination of the Company, holding reconciliation and rounding. |
| <p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>The new Shares to be issued under the Entitlement Offer and Placement will be on the same terms as existing Shares on issue.</p> |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	The new Shares to be issued under the Entitlement Offer and Placement will be on the same terms as existing Shares on issue and will rank equally in all respects with those existing Shares from the issue date.
	<p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	\$3.55 per new Share under the Entitlement Offer \$3.55 per new Share under the Placement
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The proceeds from the issue of new Shares under the Entitlement Offer and Placement will be used for the purposes described in the investor presentation announced to ASX by the Company on 11 November 2019.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	N/A
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A				
6f	Number of +securities issued under an exception in rule 7.2	N/A				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	The Company's remaining issue capacity is 26,347,182 Shares (see Annexure 1), which has been calculated having regard to the waiver granted by ASX to the Company on 8 November 2019.				
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>The issue date for the Shares under the Institutional Entitlement Offer and Placement is Wednesday, 20 November 2019.</p> <p>The issue date for the Shares under the Retail Entitlement Offer is Friday, 6 December 2019.</p> <table border="1" data-bbox="703 1554 1297 1590"> <thead> <tr> <th data-bbox="703 1554 995 1590">Number</th> <th data-bbox="995 1554 1297 1590">+Class</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	<p>After completion of the Placement and the Institutional Entitlement Offer, 299,275,390 Shares on issue.</p> <p>After completion of the Retail Entitlement Offer, up to 325,374,344 Shares (based on the 299,275,390 Shares on issue and the approximate number of Shares to be issued under the Retail Entitlement Offer as described in item 2 of this Appendix 3B (subject to reconciliation and rounding)).</p>	Fully paid ordinary shares										
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="766 1008 1069 1052">Number</th> <th data-bbox="1069 1008 1370 1052">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 1052 1069 1276">1,452,341</td> <td data-bbox="1069 1052 1370 1276">Nil exercise price, options expiring 30/9/2020, vesting upon achievement of performance hurdles 30/8/2020</td> </tr> <tr> <td data-bbox="766 1276 1069 1500">250,168</td> <td data-bbox="1069 1276 1370 1500">Nil exercise price options, vesting in two equal tranches on 28/06/2020 and 28/06/2021 respectively.</td> </tr> <tr> <td data-bbox="766 1500 1069 1724">122,550</td> <td data-bbox="1069 1500 1370 1724">Nil exercise price options, vesting in two equal tranches on 16/07/2020 and 16/08/2021 respectively.</td> </tr> <tr> <td data-bbox="766 1724 1069 1930">391,566</td> <td data-bbox="1069 1724 1370 1930">Nil exercise price rights, expiring 30/10/2021, vesting upon achievement of performance hurdles by 30/06/2021.</td> </tr> </tbody> </table>	Number	⁺ Class	1,452,341	Nil exercise price, options expiring 30/9/2020, vesting upon achievement of performance hurdles 30/8/2020	250,168	Nil exercise price options, vesting in two equal tranches on 28/06/2020 and 28/06/2021 respectively.	122,550	Nil exercise price options, vesting in two equal tranches on 16/07/2020 and 16/08/2021 respectively.	391,566	Nil exercise price rights, expiring 30/10/2021, vesting upon achievement of performance hurdles by 30/06/2021.	
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391,566	Nil exercise price rights, expiring 30/10/2021, vesting upon achievement of performance hurdles by 30/06/2021.												

⁺ See chapter 19 for defined terms.

1,648,971	Nil exercise price, options expiring 30/10/2021, vesting upon achievement of retention and performance hurdles by 30/06/2021.
648,414	Nil exercise price, options expiring 30/10/2020, vesting upon achievement of performance hurdles by 30/06/2019 and retention hurdle on 30/06/2020.
43,268	Nil exercise price, options expiring 13/01/2020, vesting upon achievement of retention hurdles by 13/11/2019.
43,268	Nil exercise price, options expiring 13/01/2021, vesting upon achievement of retention hurdles by 13/11/2020.
51,160	Nil exercise price, options expiring 3/10/2021, vesting upon achievement of retention and performance hurdles on 30/06/2021.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as applies to the Company's existing Shares
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Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable

+ See chapter 19 for defined terms.

13	Ratio in which the +securities will be offered	1 new Share for every 5 Shares held at the record date for the Entitlement Offer
14	+Class of +securities to which the offer relates	Shares
15	+Record date to determine entitlements	7.00pm (Melbourne time), Wednesday, 13 November 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Any fractions arising in the calculation of entitlements will be rounded up to the nearest whole number of new Shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	For the institutional tranche of the Entitlement Offer, all countries other than Australia, New Zealand, Hong Kong, United Kingdom, Norway, Switzerland, Canada (Alberta, Ontario/British Columbia/Quebec), Singapore, the United States (in respect of certain approved U.S. shareholders and approved U.S. investors) and other jurisdictions as agreed between the Royal Bank of Canada (trading as RBC Capital Markets) and UBS AG, Australia Branch and the Company. For the retail tranche of the Entitlement Offer, all countries other than Australian and New Zealand.
19	Closing date for receipt of acceptances or renunciations	For the Institutional Entitlement Offer and the Placement, Tuesday, 12 November 2019. For the Retail Entitlement Offer, Friday, 29 November 2019.
20	Names of any underwriters	Royal Bank of Canada (trading as RBC Capital Markets) and UBS AG, Australia Branch

+ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	<p>For the institutional tranche of the Entitlement Offer and the Placement:</p> <ul style="list-style-type: none"> • an underwriting fee of 2.08% of the institutional offer proceeds and proceeds of the Placement; and • a management and selling fee of 0.52% of the institutional offer proceeds and proceeds of the Placement. <p>For the retail tranche of the Entitlement Offer:</p> <ul style="list-style-type: none"> • an underwriting fee of 2.08% of the retail offer proceeds; and • a management and selling fee of 0.52% of the retail offer proceeds.
22	Names of any brokers to the issue	<p>Wilson Corporate Finance Limited and Petra Capital Pty Ltd (each a Co-Manager)</p>
23	Fee or commission payable to the broker to the issue	<p>Each Co-Manager will be paid a fixed fee of \$200,000 and a fee equivalent to 1.00% of the dollar value of their respective allocation of new Shares under the institutional bookbuild.</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	<p>N/A</p>
25	If the issue is contingent on security holders' approval, the date of the meeting	<p>N/A</p>
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	<p>No prospectus or other disclosure document is being prepared in connection with the Entitlement Offer and Placement. A Retail Entitlement Offer Booklet and Entitlement and Acceptance Form was sent to eligible retail shareholders in connection with the retail component of the Entitlement Offer on Monday, 18 November 2019.</p>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<p>N/A</p>

+ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	<p>The issue date for the Shares under the Institutional Entitlement Offer and Placement is Wednesday, 20 November 2019.</p> <p>The issue date for the Shares under the Retail Entitlement Offer is Friday, 6 December 2019.</p>

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or

⁺ See chapter 19 for defined terms.

documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:
• the date from which they do
• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	<p>N/A</p>
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	Number	+Class
<p>42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)</p>	<p>N/A</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.


Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


.....
Company secretary

Date: 18 November 2019

Print name: Paul Wenk

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	250,012,768
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>Issued under an exception to Listing Rule 7.2:</p> <ul style="list-style-type: none"> - 190,833 fully paid ordinary securities issued on 11 December 2018 - 50,000 fully paid ordinary securities issued on 4 March 2019 - 700,002 fully paid ordinary securities issued on 11 June 2019 - 186,358 fully paid ordinary securities issued on 18 July 2019 - 3,613,231 fully paid ordinary securities issued on 30 August, 2 September & 6 September 2019 - 51,091,614 fully paid ordinary securities to be issued under the Entitlement Offer (included in this calculation pursuant to the waiver granted by ASX to the Company on 8 November 2019) <p>Nil partly paid ordinary securities that became fully paid in the 12 month period</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month	Nil

+ See chapter 19 for defined terms.

period	
“A”	305,844,806
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	45,876,720
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<ul style="list-style-type: none"> - 704,878 fully paid ordinary securities issued on 22 July 2019 on buy-back of contractual obligations - 18,824,660 fully paid ordinary securities issued under the Placement
“C”	19,529,583
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	45,876,720
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	19,529,583
Total [“A” x 0.15] – “C”	26,347,182 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
<p>Total [“A” x 0.10] – “E”</p>	<p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.