

## ASX Announcement

### SelfWealth completes share placement and launches \$1.5m rights issue

#### Highlights

- **\$1,436,970 Share Placement completed**
- **\$1.5m rights issue launched**
- **Product Development Agreement signed with ETF Securities Australia**

**Melbourne, Australia – 12 December 2018:** SelfWealth Ltd (ASX: SWF) (**Company**) today announced the completion of a share placement of 20,528,144 fully paid ordinary shares (**Shares**) to raise \$1,436,970 at \$0.070 cents a Share (**Placement**). The placement received strong support from existing institutional shareholders alongside a group of local sophisticated private investors keen to participate in the future growth of SelfWealth's online broking business. The Placement is expected to settle on 18 December 2018 and was made without the need for prior shareholder approval.

Current shareholders will be offered participation at the same pricing under a rights issue to raise an additional \$1.5m (**Rights Issue Offer**). The rights will be non-renounceable and entitle shareholders to subscribe for one additional Share, at \$0.070 cents a Share, for every 6.0 Shares held as at close of trading, 17 December 2018 (**Record Date**) with the Company reserving the right (in accordance with ASX Listing Rule 7.2 exception 3) to place any shortfall. The Rights Issue Offer will be available for those persons registered as shareholders with an address in Australia or New Zealand as at the Record Date. A summary of the key dates for the Rights Issue Offer is attached as an annexure to this announcement.

The new SWF shares to be issued under the Placement and the Rights Issue Offer will rank equally with existing SWF shares on issue.

The Placement will result in the issue of 20,528,144 new shares, with 7,582,616 shares being issued under its 15 percent placement capacity (under ASX Listing Rule 7.1) and 12,945,528 shares under its 10 percent placement capacity (under ASX Listing Rule 7.1A) (**LR 7.1A Capacity Shares**). As the Company is issuing Shares under its ASX Listing Rule 7.1A, it provides the following further information:

- Existing shareholders will be diluted by 10% as a result of the issue of the LR 7.1A Capacity Shares (although, to the extent the investors are already shareholders, their relative holdings will increase or decrease to a lesser extent)
- the Company conducted the Placement and has announced (above) it is also making a pro rata offer to existing shareholders (the Rights Issue Offer) at the same price as subscribed by sophisticated investors under the Placement. The Company considers that the dual offering offers the most efficient and most certain means of raising capital quickly, whilst still offering existing shareholders to participate in the capital raise at the same price as the institutional investors
- the issue of the LR 7.1A Capacity Shares was not underwritten.
- the Company has incurred legal and listing fees in relation to the issue of the LR 7.1A Capacity Shares.

The funds raised from the Placement and the Rights Issue Offer will be invested in technology, resourcing for the client services and sales teams, and to support the marketing of both the forthcoming SMSF Leaders ETF (see below) and SelfWealth's existing flat-fee \$9.50 online share-trading platform.

The core online broking business of SelfWealth continues the strong growth trends reported in the September quarter. The Company continues to benefit from ongoing record customer acquisition growth and record increased trading volumes, achieved with a further reduction in customer acquisition costs.

"We are well on our way to reporting the strongest quarter yet," SelfWealth founder and Managing Director Andrew Ward said.

An additional development is that the Company has signed a Product Development Agreement with ETFS Capital Ltd and ETF Securities Australia. The parties plan on launching a new type of ETF in Q1 2019 called the "SMSF Leaders ETF", which will showcase the Company's core technology and track an IOSCO compliant index developed by the parties and based on the Company's WealthCheck Score.

ETF Securities Australia will be the Responsible Entity for the ETF, and the project will be backed by the parent company ETFS Capital Limited (formerly known as ETF Securities Limited), which is looking to provide A\$100m of seed investment for the new ETF when launched.

Following the sale earlier this year of its European and US businesses to WisdomTree, Legal & General and Aberdeen Standard, for proceeds exceeding US\$600 million, ETFS Capital is now the world's largest firm dedicated solely to investing in companies, start-ups and product ideas in the global ETF ecosystem. The company was founded by Australian businessman Graham Tuckwell, who launched the world's first gold ETF on the ASX in 2003.

The SMSF Leaders ETF is scheduled for launch in Q1, 2019, subject to ASX and regulatory approval.

Mr Ward expects the successful launch of the ETF will establish an additional component of SelfWealth's annuity revenue streams.

"Within the first year of its launch, the ETF could potentially comprise 20 per cent of our total revenue," he said.

## **Investor Conference Call:**

An investor conference call will be held at 11:00am on Thursday 13<sup>th</sup> December 2018.

To pre-register for the call click [here](#) – alternatively, you may dial in on the day with the following details.

Conference ID: 334402

## **Participant Dial-In Numbers**

**Australia Toll Free:**

**1 800 558 698**

Alternate Australia Toll Free:

1 800 809 971

Australia Local:	02 9007 3187
<b>New Zealand Toll Free:</b>	<b>0800 453 055</b>
NZ Local (Auckland):	09 929 1687
NZ Local (Wellington):	04 974 7738
NZ Local (Christchurch):	03 974 2632
United Kingdom:	0800 051 8245
United States:	(855) 881 1339
US Local (New York):	(914) 202 3258
US Local (Los Angeles):	(909) 235 4020
US Local (Chicago):	(815) 373 2080

**ENDS**

## Contact:

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**About SelfWealth**

SelfWealth PREMIUM, introduced in 2017, is a social investment network that allows users to compare and construct portfolios with others on the platform – for the first time in Australia. Combining cloud capabilities, the PREMIUM network uses proprietary diagnostic tools to measure investment performance and diversification, providing users with a Wealth Check Score and Safety Rating that can be benchmarked against others on the platform.

Established in 2012, SelfWealth is a unique, peer-to-peer share trading platform is comprised of two offerings – SelfWealth TRADING and SelfWealth PREMIUM – with a focus towards self-directed investors. SelfWealth’s proprietary software platform SelfWealth TRADING offers a low, \$9.50 commission-free flat fee ASX brokerage service, regardless of trade size.

## **About ETFS Capital**

ETFS Capital Limited is the new name for ETF Securities Limited, following the divestiture by the company of most of its operations, which delivered the company more than \$600m in proceeds. Those proceeds remain with the company and are being used to invest in the ETF eco-space. Key senior executives from the ETF Securities business have remained with the company, which is now the world's largest firm devoted solely to investing in companies and start-ups operating in the ETF eco-sphere.

## **About ETF Securities Australia**

ETF Securities Australia (ETFS Management (AUS) Limited) is Australia’s second oldest ETF provider and the only truly independent, Australian owned ETF manager. Founded in 2003 by Graham Tuckwell it uses transparent and cost effective exchange traded products (ETPs) to enable Australian investors achieve their desired outcome, while also intelligently diversifying their portfolios. It also acts as a dedicated source of actionable investor knowledge for Australian investors and their advisers.

**IMPORTANT DATES**

<b>Event</b>	<b>Date</b>
Announcement of the Rights Issue Offer and commitments for the Placement.	12 December 2018
"Ex" date for the Rights Issue Offer (being the date that Shares start trading without the Entitlements to participate in the Offer)	14 December 2018
Record Date to determine Entitlements under the Rights Issue Offer	7.00pm on 17 December 2018
Opening Date of Rights Issue Offer	20 December 2018
Despatch of the Rights Issue Offer Document and Entitlement & Acceptance Form to Eligible Shareholders	20 December 2018
Closing Date for acceptances under the Rights Issue Offer	5.00 pm on 31 January 2019