

SUPPLEMENTARY PROSPECTUS

BITCOIN GROUP LIMITED (ACN 601 628 497)

IMPORTANT NOTICE

This Supplementary Prospectus is dated 29 October 2015 and was lodged with the Australian Securities and Investments Commission on that date. This Supplementary Prospectus supplements the Replacement Prospectus dated 4 September 2015 issued by Bitcoin Group Limited and lodged with the Australian Securities and Investments Commission on that date.

This Supplementary Prospectus must be read in conjunction with the Replacement Prospectus.

The Australian Securities and Investments Commission and ASX Limited take no responsibility for the contents of this Supplementary Prospectus or the Prospectus.

Terms used in this Supplementary Prospectus have the same meaning as in the Prospectus unless otherwise defined or the contrary intention appears.

REASONS FOR THIS SUPPLEMENTARY PROSPECTUS

The purpose of this Supplementary Prospectus is to:

- extend the Closing Date of the Offer from 30 October 2015 to 20 November 2015;
- identify a cross-referencing error;
- allow the Company to correct statements made in the printed press and electronic media, concerning the initial public offering (IPO) the subject of the Replacement Prospectus issued by the Company;
- allow the Company to explain how it will deal with any investment in the IPO coordinated by Bnk to the Future Limited (a Cayman Islands entity) (**BtF**) through its website; and
- give notice of a potential related party investor in the IPO.

EXTENSION OF THE OFFER CLOSING FROM 30 OCTOBER 2015 TO 20 NOVEMBER 2015

The closing date of the offer period has been extended to 20 November 2015.

All references to the close of the Offer on 30 October 2015 in the Prospectus are amended by deleting the date "30 October 2015" and replacing it with the date "20 November 2015". The indicative date for the dispatch of holding statements "6 November" is replaced with the date "6 December", and the indicative date for quotation of shares on ASX of "11 November" is replaced with the date "11 December".

IDENTIFICATION OF CROSS-REFERENCING ERROR IN REPLACEMENT PROSPECTUS

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This Supplementary Prospectus identifies the sentence at top of page 32 immediately before paragraph 4.5.2 as irrelevant and to be ignored because it refers to details that are not in clause 4.14 of the Replacement Prospectus

CORRECTIVE STATEMENTS AND ACTIONS IN RELATION TO BITCOIN GROUP IPO

Following engagement with ASIC, Bitcoin Group makes the following corrective statements:

Printed Press and Electronic Media Corrective Statements

Statements were made in the Sydney Morning Herald (**SMH**) on 8 September 2015 which specifically referred to projected revenue forecasts for the Company based upon a range of Bitcoin values for the 2015-2016 financial year.

The projected revenue forecasts in that article were apparently picked up by other press and electronic media and republished.

In fact, the Replacement Prospectus makes no forecasts for projected revenue of the Company and the Company urges any person who read the articles to disregard revenue forecasts appearing in the press or electronic media for the purposes of their decision whether to invest in the IPO.

The projected revenue forecasts in the SMH article had no reasonable basis to be made.

Investors should make their decision to invest in the IPO on the information appearing in the Replacement Prospectus and have regard to this Supplementary Prospectus.

Bitcoin Mining Profitability and Audited Accounts: Misstatement

On 2 October 2015, Bitcoin Group Ltd published on Wechat an article entitled "Is Bitcoin Mining really profitable?".

Although the publication referred to the Replacement Prospectus as the source of all information relevant to the Bitcoin Group IPO, it also made statements about:

- the Company's profitability, which were potentially misleading and based on calculations contained in a draft Prospectus not lodged with ASIC or available to the public;
- provided profit calculations and operating cost estimates which did not reflect the profit and costs details contained in the Replacement Prospectus;
- made reference to auditing costs, when in fact the accounts of the Company in the Replacement Prospectus are not audited accounts.

Bitcoin Group retracts all those statements made concerning profitability, auditing and costs in its publication on 2 October 2015, for which there was no reasonable basis.

Clarification on Mr Turnbull's involvement in Bitcoin Group IPO shares

On 7 October 2015, Bitcoin Group Limited published on WeChat an article relating to the involvement of Mr Malcolm Turnbull (Australia's Prime Minister) in the bidding for shares in the Bitcoin IPO in Sydney on 7 October 2015.

Mr Turnbull used the newly launched app of On-Market Bookbuild (an online platform which allows retail investors to make live bids for companies raising equity) for demonstration purposes, to bid for shares in the Bitcoin Group IPO on behalf of Mr Ben Bucknell. He did not personally buy or bid for shares in the Bitcoin Group IPO.

Bitcoin Group retracts any suggestion that Mr Turnbull personally invested in the Bitcoin Group IPO.

Applications from Bnk to the Future Limited

BtF is a global online investment platform that allows investors to invest in financial innovation opportunities, colloquially referred to as 'FinTech', which promoted the Bitcoin Group IPO as an investment opportunity through its website. The proposed investment into the IPO was to be made by a special purpose vehicle (SPV) established by BtF, in the Cayman Islands.

This opportunity is now closed. In order to avoid the possibility that any investment by the BtF SPV would infringe the *Corporations Act 2001*, Bitcoin Group has advised BtF:

- it will not accept an application for shares in the IPO from the SPV for any number of shares which would exceed 4.9% of the final shareholding of Bitcoin Group following completion of the IPO; and
- it requires BtF to take all reasonable steps to ensure that any participants in the SPV will not be Australian residents.

Potential Related Party Investor

Bitcoin Group gives notice that the father of Mr Sam Lee, the CEO of Bitcoin Group, has indicated he proposes to apply for approximately 5,000,000 shares (approx \$1m) in the IPO.

Investments to be based on the Replacement Prospectus and this Supplementary Prospectus

Bitcoin Group wishes to ensure that actual or prospective investors do not make their investment decision in reliance on any materials or information not contained in the Replacement Prospectus.

If you have not yet subscribed for shares in the Bitcoin Group IPO, please review the Replacement Prospectus and have regard to this Supplementary Prospectus.

If you have subscribed for shares in the Bitcoin Group IPO and you wish to reconsider your investment in the Bitcoin Group IPO, Bitcoin Group is willing to allow you to withdraw your subscription and receive a refund of your subscription monies.

The initial closing date for the Bitcoin Group IPO was 30 October 2015. In order to allow a sufficient time for all actual and prospective investors to consider their position, Bitcoin Group has resolved to extend the IPO offer period to 20 November 2015.

If you wish to withdraw, you must withdraw in writing by 5 p.m. on 20 November 2015. To do this, please contact Mr Allan Guo on +61 (0)433 348 106 or by email at allan.guo@bitcoingroup.com.au.

DIRECTORS' CONSENT

Each of the Directors of Bitcoin Group Limited has consented to the lodgement of this Supplementary Prospectus with the Australian Securities and Investments Commission.

Signed for and on behalf of the Bitcoin Group Limited:

Sam Lee
Director

Dated: 29 October 2015

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