

ASX Company Announcements

7 June 2017
The Manager
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Non-Renounceable Rights Issue Results – Successful Raising

Consolidated Operations Group Limited (COG) wishes to advise that acceptances closed for the Company's non-renounceable rights issue on 2 June 2017.

The Company sought to issue up to 259,655,831 shares, to raise up to \$31,158,699.72 under its Entitlement Offer. This represents the total number of eligible shares after rounding at the record date.

The board is pleased to advise that total applications under the Rights Issue totalled 152,988,286 shares, or \$18,358,594.32. Total applications represent 58.92% out of the maximum 259,655,831 eligible share entitlements (after rounding) as outlined below:

Entitlement New Shares	146,007,173	\$17,520,860.76
Additional New Shares	<u>6,981,113</u>	<u>\$ 837,733.56</u>
Total under the Rights Issue	152,988,286	\$18,358,594.32

The Company's largest shareholder, GEGM Investments Pty Ltd, subscribed for their full rights entitlement, however as required under Section 606 of the Corporations Act 2001, have been scaled back by 5,267,000 shares or \$632,040.00.

Therefore the total net applications accepted from current shareholders totalled 147,721,286 shares or \$17,726,554.32.

Set out below is a summary of the share applications received, the amount of the original shortfall for entitlement shares, and the net shortfall with acceptances for Additional New Shares to current shareholders .

Table 1 : Shortfall from Entitlement Applications ONLY

	No. of Shares	Funds
Total available under offer (after rounding)	259,655,831	\$31,158,699.72
Entitlement Acceptances	(146,007,173)	(\$17,520,860.76)
Entitlement Acceptances – scaled back	5,267,000	\$632,040.00
Shortfall (prior to Additional Share Facility)	118,915,658	\$14,269,878.96

Table 2 : Shortfall from Additional Share Applications

	No. of Shares	Funds
Shortfall (prior to Additional Share Facility)	118,915,658	\$14,269,878.96
Placement to current shareholders under Additional Share Facility)	(6,981,113)	(\$837,733.56)
Shortfall (after to Additional Share Facility)	111,934,545	\$13,432,145.40

The allotment of shares relating to the above will be done in one tranche on Friday 9 June 2017.

As outlined in the Rights Issue Offer Document, In the event there is a Shortfall in subscriptions under the Offer (including applications for Additional Shares), the Directors intend to issue the Shortfall at their discretion so as to ensure a maximum amount of funds are raised, including engaging Blue Ocean Equities Pty Ltd to place the Shortfall. They will do so in a manner which will ensure that no Shareholder or other investor will as a consequence of taking up their Entitlement, Additional Shares and being issued any Shortfall be in breach of Chapter 6 of the Corporations Act. **Any Shortfall will be issued within three months after the Closing Date at an issue price being not less than the Issue Price of 12 cents.** Any Shortfall will be issued without a disclosure document in accordance with an exemption contained in Chapter 6D of the Corporations Act.

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