

19 June 2017

The Manager
Company Notice Sections
ASX Limited
Level 4, North Tower, Rialto
525 Collins Street
Melbourne, VIC – 3000

Dear Sir/Madam

RE: NOTICE OF CONVERTIBLE NOTE REDEMPTION ON 30 JUNE 2017

Stokes Limited (ASX Code: SKS) gives notice to redeem Convertible Notes maturing on 30th June 2017 at the redemption value of \$0.35 per note in accordance with the conditions of the Trust Deed.

On 30th June 2017, Convertible Noteholders who have elected to convert their convertible notes, the Company will convert and issue:

- a) One ordinary share in the Company; and
- b) One option for every 2 new shares issued upon conversion of the Convertible Notes. The options will be issued at no additional cost to Convertible Noteholders and will be exercisable at any time prior to 30th June 2019 at an Exercise Price of \$0.35 each.

The Directors of the Company have elected to convert their holding of convertible notes into ordinary shares in the Company. At the date of this announcement there are 3,174,900 Convertible Noteholders who have elected to convert their convertible notes into ordinary shares in the Company.

Convertible noteholders, who has not elected to convert their notes will receive redemption amount of \$0.35 per note on 4 July 2017.

At the date of this announcement there are 7,287,820 Convertible Notes (SKSG) and the quotation of these Convertible Notes (SKSG) will end on Monday 26th June 2017, 4 business days before the redemption date and there won't be any deferred settlement arrangement for trading of the new shares issued on conversion of the Convertible notes.

Interest on the Convertible Notes for the 3 months period ending on 30th June 2017 will be paid on 4th July 2017 to all noteholders.

Yours faithfully



Hemant Amin
Company Secretary