



5 August 2014

Market Announcements Office  
ASX Limited  
Level 4 North Tower  
525 Collins Street  
Melbourne VIC 3000

**SHORTFALL ALLOCATION POLICY: FULLY UNDERWRITTEN  
NON-RENOUNCEABLE RIGHTS ISSUE**

On 14 July, 2014, MBD Corporation Limited (ASX:MBD) (**Company** or **MBD**) lodged, with the Australian Securities and Investments Commission, a prospectus (**Prospectus**) for a fully underwritten non-renounceable pro-rata rights issue (**Rights Issue**) by the Company to shareholders having a registered address in Australia or New Zealand of 1 new fully paid ordinary share for every one share held on 7.00pm (Melbourne time), 22 July, 2014, to raise approximately \$1,315,194 (before expenses).

The Prospectus was despatched to MBD shareholders on 24 July 2014.

The Rights Issue is scheduled to close at 5.00pm (Melbourne time), 15 August, 2014 (unless extended).

The Rights Issue is fully underwritten by entities associated with 2 of the Company's directors namely, Mr H Giles and Mr P. Reilly.

MBD shareholders who take up their full entitlement under the Rights Issue may apply for additional new shares than the number shown on their personalised entitlement and acceptance form which accompanied the Prospectus (**Shortfall Facility**). An explanation of the Shortfall Facility and how MBD shareholders can apply for those additional shares are set out in sections 1.6 and 2.3 of the Prospectus.

The following allocation policy will be applied by the Company in relation to applications for additional shares received by it under the Shortfall Facility:

- If the number of additional shares applied for by MBD shareholders is equal to or less than the shortfall available, all applicants for additional shares will have their applications satisfied **in full**, subject to the Corporations Act.



- If the number of additional shares applied for by MBD shareholders is greater than the shortfall available, applicants for additional shares will have their applications **pro-rated** based on applicants' shareholdings in the Company on the record date (ie. 22 July 2014), subject to the Corporations Act.

None of the directors or any of their associates is eligible to participate in the Shortfall Facility.

Any new shares not subscribed by MBD shareholders under the Rights Issue including under the Shortfall Facility will be taken up by the underwriters. Details of the underwriting arrangements are set out in sections 5.8 and 5.9 of the Prospectus.

MBD shareholders who have not received a personalised entitlement and acceptance form or have any queries on how to complete it, should contact MBD on (03) 9820 2087.

Hamish Giles  
**MBD Corporation Limited**  
**Executive Chairman**  
03 9820 2087