



(Subject to Deed of Company Arrangement)

4 March 2015

NON-RENOUNCEABLE ENTITLEMENT OFFER TO RAISE UP TO \$1.18M

Stanfield Funds Management Limited ("**Stanfield**" or "**Company**") announces that it will conduct a non-renounceable entitlement offer to shareholders on the basis of 1 new share for every 1 share held on 12 March 2015 ("**Record Date**") at 25 cents per new share to raise approximately \$1.18 million (before costs) ("**Entitlement Offer**"). The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd ("**Underwriter**").

The Entitlement Offer is being made pursuant to a prospectus ("**Prospectus**"). The Prospectus was lodged with ASIC and ASX on 4 March 2015 and contains further information about how shareholders can take up their entitlements under the Entitlement Offer. The Prospectus will be available on the Company's website at www.stanfieldfunds.com.au and on the ASX website and will be mailed to shareholders on or about 12 March 2015.

Important: Investors should be aware that the Entitlement Offer will proceed irrespective of whether or not the conditions to the other offers under the Prospectus (described below and in section 1.2 of the Prospectus) are satisfied. Accordingly, **there is a risk that shares issued under the Entitlement Offer will not be quoted on ASX**. In these circumstances, the shares will not be tradable on market and applicants will not receive a refund for their applications under the Entitlement Offer. The Company is undertaking the Entitlement Offer so that it can raise urgently needed funds whilst it continues to take all necessary steps to complete the Recapitalisation Proposal and achieve ASX reinstatement. If and when ASX reinstatement is achieved, the shares issued under the Entitlement Offer will be quoted on ASX and will therefore become tradeable on the ASX.

The funds raised under the Entitlement Offer will primarily be used to:

- facilitate completion of the Recapitalisation Proposal so that the DOCA can be terminated wholly effectuated and full control of the Company can be returned to the Board;
- comply with ASX's conditions to ASX reinstatement so that the Company's securities can resume trading on the ASX; and
- review existing assets and evaluate new assets and investments; and
- pay the costs of the offer and provide working capital.

The Prospectus also contains other offers associated with the recapitalisation proposal described in the DOCA ("**Recapitalisation Proposal**"). Please refer to the announcements on 8 October 2014 and 16 January 2015 for further details of the DOCA. The Recapitalisation Proposal involves the restructuring and recapitalisation of the Company for the purposes of wholly effectuating the DOCA and enabling the Company to resume trading on the ASX. The issues of securities under the offers referred to below are subject to approval by shareholders at the Company's annual general meeting to be held on or about 20 April 2015. Please refer to the Prospectus for further details of each offer.

Stanfield Funds Management Limited ACN 006 222 395

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283 Rokeby Road, Subiaco WA 6008
TEL: 08 6315 3505 FAX: 08 9481 1947



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Conversion Offers

The conditional offers of:

- 2,320,000 Shares to the Class A Noteholders, together with 2 free attaching options with an exercise price of \$0.25 and expiry date 3 years from issues ("**Noteholder Options**") for each share issued, pursuant to the conversion of the Class A Notes;
- 2,080,000 Shares to the Class B Noteholders, together with 2 free attaching Noteholder Options for each Share issued, pursuant to the conversion of the Class B Notes; and
- 344,548 Shares to the Class C Noteholder, together with 640,000 Noteholder Options, pursuant to the conversion of the Class C Notes.

Creditor Offers

The conditional offers of:

- 909,665 Shares to the Unsecured Creditors for nil cash consideration, together with 1 free attaching option with an exercise price of \$0.20 and an expiry date of 1 year ("**Creditor Option**") for each Share issued, pursuant to the DOCA; and
- 770,000 Shares to the New Creditors in consideration of services provided to the Company.

Broker Offer

The conditional offer of 900,000 shares to the Underwriter (and/or its nominees) at a nominal issue price of \$0.01 each pursuant to the Underwriting Agreement.

The primary purposes of these additional offers are to:

- discharge the Company obligations to the Noteholders under the Convertible Notes;
- retire certain debt owing by the Company to the Unsecured Creditors and New Creditors; and
- "cleanse" securities issued under the offers to ensure that the securities are not subject to any secondary sale restrictions.



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Key Dates for the Entitlement Offer

Event	Date
Prospectus lodged with ASIC and ASX, Appendix 3B lodged with ASX	4 March 2015
Notice sent to Shareholders	6 March 2015
'Ex' date	6 March 2015
Record Date (5.00pm (WST))	12 March 2015
Prospectus issued to eligible shareholders and announcement of issue of Prospectus	12 March 2015
Opening Date for Entitlement Offer	13 March 2015
Closing Date for Entitlement Offer (5.00pm (WST))	24 March 2015
Deferred settlement trading commences (Note: Shares are currently suspended from trading)	25 March 2015
ASX notified of under-subscriptions	25 March 2015
Issue of shares and deferred settlement trading ends	26 March 2015
Expected date for shares (including all shares issued under the Entitlement Offer and other offers) to be reinstated to trading on ASX	12 May 2015

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates.

As discussed above, shares issued under the Entitlement Offer will only become tradeable on the ASX if and when ASX reinstatement is achieved. Shareholders are strongly urged to read the Prospectus in full, particularly the risks associated with an investment under the Entitlement Offer.

Stephen Hewitt-Dutton
Company Secretary

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