



Shenhua International Limited

ACN 134 436 730

Level 41, ANZ Tower

55 Collin Street

Melbourne, VIC 3000

Australia

Australian Securities Exchange Announcement

4 March 2016

The Manager
Companies Announcement Officer
Australian Securities Exchange
Electronic Lodgement

Dear Sir/Madam

Following lodgement of the Company's annual financial report for the year ended 30 June 2015 and notice for the annual general meeting (scheduled for 24 March 2016) as well as the latest half yearly financial report, the Company is working toward lifting its trading suspension which has been in place since 1 October 2015 and to resume trading of its quoted securities soon. In doing so, the Company maintains the view that it has acted in accordance with its continuous disclosure obligations pursuant to ASX Listing Rule 3.1.

Shareholders are to note that following the annual general meeting, a separate members' meeting is intended to be called (date yet to be set) to review the status of the loan between the Company's subsidiary Shaoxing Shenhua Textile Co., Ltd and Shaoxing Shenhua Decoration Co., Ltd, a company controlled by Mr Philip Widjaya. While the loan was approved by Shareholders at the last AGM, a supplementary agreement has been entered between the lender and borrower to increase the loan limit from RMB 466,693,298 (A\$99,779,027*) to RMB 666,693,298 (A\$142,539,027*) as well as an adjustment of the loan interest rate from 6%p.a. to 5.22% in reflection of comparable rates in the Chinese market. The loan remains fully secured against assets of the borrower and its subsidiary company. Shareholders will be asked to ratify the supplementary agreement and full details and relevant information will be provided to Shareholders via a separate notice of meeting. In the interim, apart from the notice of meeting for the last AGM Shareholders can also refer to updated information regarding the loan and supplementary agreement in the latest annual and half-yearly reports.

*based on the exchange rate of RMB 1 = A\$0.2138.

On behalf of the board

A handwritten signature in black ink, consisting of two Chinese characters, '薛' (Xue) and '涛' (Tao), written in a cursive style.

Tao Xue

Company Secretary