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Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Update re Acquisition of Lunalite International

White Eagle Resources Limited (**White Eagle** or the **Company**) is pleased to provide an update with respect to the Company's proposed acquisition of up to 100% of Lunalite International Pty Ltd (**Lunalite**) (**Transaction**).

Lunalite has successfully completed its $2.65 million capital raising (**Capital Raising**). The funds raised pursuant to the Capital Raising will be applied towards the installation of 32 Cross Track Digital Media (**XTD**) systems across the Melbourne underground rail network pursuant to its 7 year contract with Metro Trains Melbourne Pty Ltd (**Melbourne Contract**). Following completion of the Capital Raising, Lunalite has now placed orders and paid deposits for the key components of the XTD systems and is on track for the Melbourne Contract to be fully installed, operational and generating revenue during October 2014.

As set out in the Company's ASX Announcement dated 27 June 2014, the Capital Raising was one of the key condition precedents to completion of the Transaction. The remaining outstanding condition precedent include:

i) Execution of a formal share sale and purchase agreement;

ii) White Eagle raising a minimum of $1.0 million in conjunction with re-complying with Chapters 1 & 2 of the ASX Listing Rules; and

iii) White Eagle shareholder approval.

About Lunalite

Lunalite is an emerging service provider to the growing Out-of-Home Advertising (**OOH Advertising**) sector. In Australia in 2013, total revenue from the OOH Advertising Sector was estimated to be $543.8 million[1] across formats including billboards, street furniture, taxis, bus and tram externals, and airports.

Lunalite's specific initial focus within the OOH Advertising Sector is rail stations. Globally, hundreds of millions of commuters use rail stations every day and media companies

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[1] Estimated total revenue of the Out-of Home Advertising Sector in 2013 by the Outdoor Media Association (http://www.oma.org.au/facts-and-figures/industry-performance)

throughout the world understand the financial benefits of advertising to commuters as they wait for their trains, namely:

- Large volume captured audiences with long dwell times; and
- Audience demographics for various locations can be well specified.

Through its proprietary XTD system, Lunalite has designed a solution which gives the advertising market a medium to provide digital advertising to rail commuters from a cross track location whilst they await their train. To date, cross track advertising within train stations globally has largely been accomplished via static media posters which are expensive to print and mount, difficult to maintain / change (by virtue of their location) and losing appeal in a market becoming increasingly dominated by digital alternatives.

The key attributes of Lunalite's XTD system include:

- Custom engineered large format digital LED screens with stereo sound to display TV commercials.

- Wirelessly coupled to a proprietary XTD train approaching system.

- Dynamic content management system software which enables adverts to be changed wirelessly at any time.

- Meets OHS and regulatory requirements to satisfy both government and rail operator requirements as evidenced by completion of successful 6 month trails in both Melbourne and Queensland.

- Offers a server platform to install phase two of the XTD package – "the App" to provide a personalised rail security and direct advertising capability.

Lunalite has already commenced the installation of the Melbourne Contract and estimate a total cost to complete of approximately $3.5 million. This will be part funded via a capital raising to be undertaken directly in Lunalite with the balance to be funded by White Eagle once the Transaction completes.

In conjunction with the installation and commissioning of the Melbourne and Queensland Contracts, Lunalite is undertaking further discussions with various international rail operators and media groups regarding the potential roll out of its XTD system on international rail networks.

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