



26 August 2014

**NON-RENOUNCEABLE RIGHTS ISSUE - CLEANSING NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001**

This notice is given by Katana Capital Ltd (ASX: KAT) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by ASIC Class Order [08/35] (**Class Order**).

On 22 August 2014, the Company announced that it would be offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a non-renounceable pro-rata rights issue (**Rights Issue**) on the basis of one (1) new Share for every eight (8) Shares held at 5.00pm (WST) on the record date of 3 September 2014.

Shares under the Rights Issue will be offered at \$0.93 per Share. The maximum number of Shares which may be issued under the Rights Issue is 5,295,405 to raise up to \$4,924,727 (before costs). The Rights Issue will not be underwritten.

An Offer Document will be mailed to eligible shareholders on 8 September 2014 together with a personalised Entitlement and Acceptance Form. For informational purposes, a sample copy of this Offer Document has been attached to this notice.

The Company hereby gives notice under section 708AA(2)(f) of the Act that:

- (a) the Company will offer the Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the Class Order;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the Class Order;
- (c) at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (d) at the date of this notice, the Company has complied with section 674 of the Act;
- (e) at the date of this notice, there is no information that is "excluded information" within the meaning of section 708AA(8) and section 708AA(9) of the Act; and
- (f) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:
  - (i) if all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only

to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;

- (ii) in the more likely event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue and ineligible shareholders unable to participate in the Rights Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement;
- (iii) in respect of any shortfall, eligible shareholders will be entitled to top-up their shareholding, by subscribing for additional shares to be issued from the shortfall pool (**Top-Up Offer**). However, the company will only issue such Shares pursuant to an application received where the Directors are satisfied, in their discretion, that the issue of the Shares will not increase the applicant's voting power above 19.9%; and
- (iv) the Lead Manager will endeavour to place the shortfall not allocated under the Top-Up Offer to a combination of existing shareholders of the Company, institutional and high net worth clients of the Lead Manager and various other parties introduced by the Company or the Lead Manager (Shortfall Offer). The Lead Manager will ensure that no person will be issued, through participation in the Shortfall Offer, Shares if such issue will result in their voting power in the Company exceeding 19.9%. Having regard to the number of Shares to be issued under the Rights Issue, even if a substantial shortfall eventuated, a participant in the Shortfall Offer would not be in a position to exercise any substantive control in the Company.

Signed for and on behalf of the Company:

A handwritten signature in black ink, appearing to read 'G. Chiappini', with a stylized flourish at the end.

***Gabriel Chiappini***  
Company Secretary

**Katana Capital Ltd**  
**ACN 116 054 301**

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**OFFER DOCUMENT**

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For a pro rata non-renounceable rights offer to Eligible Shareholders on the basis of one (1) New Share for every eight (8) Shares held by Shareholders on the Record Date at an issue price of \$0.93 per New Share to raise approximately \$4,924,727 (before costs) (**Offer**).

**This Offer opens on 8 September 2014 and closes at 5:00pm WST on 22 September 2014.**

*This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the Shares offered by this document.*

*This document and the accompanying Entitlement and Acceptance Form are important and require your immediate attention. They should be read in their entirety. If you do not understand their content or are in doubt as to the course you should follow or have any questions about the Shares being offered by this document, you should consult your stockbroker or other professional adviser.*

*The Shares offered by this Offer Document should be considered as speculative.*

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## 2. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

### **This document is not a prospectus**

This Offer Document is dated 26 August 2014, has been prepared by Katana Capital Limited and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Document including each of the documents attached to it and which form part of this Offer Document are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in section 6 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

### **Section 708AA of the Corporations Act**

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Class Order CO 08/35. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offer.

### **Eligibility**

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

### **Forward-looking statements**

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important

factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Offer Document.

### **Privacy Act**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

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### 3. CORPORATE DIRECTORY

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#### Directors

Dalton Gooding  
Peter Wallace  
Giuliano Sala Tenna

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#### Company Secretary

Gabriel Chiappini

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#### Registered Office

Level 9, The Quadrant Building  
1 William Street Perth WA 6000

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#### ASX Code

KAT

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#### Share Registry\*

Computershare Investor Services Pty Ltd  
Level 2, 45 St Georges Terrace  
Perth WA 6000

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#### Legal Advisers

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

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#### Auditor\*

Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000

\*These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The Offer is being made as a non-renounceable entitlement offer of one (1) New Share for every eight (8) Shares held by Shareholders registered at the Record Date at an issue price of \$0.93 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 4.14 of this Offer Document, a maximum of approximately 5,295,405 Shares will be issued pursuant to this Offer to raise up to \$4,924,727.

As at the date of this Offer Document, the Company has no Options on issue.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

### **4.2 Use of Funds**

Completion of the Offer will result in an increase in cash in hand of up to approximately \$4,924,727 (before the payment of costs associated with the Offer).

The Company anticipates that the expenses of the Offer will be approximately \$99,247 which allows for 100% of the fee payable to the Lead Manager for the placement of any Shortfall.

The Company is an investment company actively involved in the consideration and investment of funds for the purpose of generating returns for Shareholders. The Company intends to directly apply the funds raised from the Offer to further increase the size and breadth of its existing investment portfolio.

Details of the Company's current investment portfolio and its investment strategy are available on the Company's website.

The above statement is a statement of current intentions as of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

### **4.3 Indicative Timetable**

<b>Event</b>	<b>Date</b>
Release of Offer Document and Cleansing Notice to ASX	26 August 2014
Appendix 3B lodged with ASX	26 August 2014
Notice sent to Shareholders	27 August 2014
Ex date (date from which securities commence trading without the Entitlement to participate in the Offer)	1 September 2014



Record Date 5:00pm (WST) (date for determining Entitlements of Eligible Shareholder to participate in the Offer)	3 September 2014
Dispatch of Offer Document and personalised Entitlement and Acceptance Forms to Shareholders	8 September 2014
Last day to extend the Offer Closing Date	17 September 2014
Closing Date 5:00pm (WST) (Offer closes)	22 September 2014
Securities quoted on a deferred settlement basis	23 September 2014
Notification to ASX of Shortfall	25 September 2014
Dispatch date/New Shares entered into Shareholders' holdings	29 September 2014

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

\*\* These dates are indicative only.

#### **4.4 Entitlements and acceptance**

Details of how to apply under the Offer are set out in Section 5 below.

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document. You may accept for a lesser number of Shares should you wish to take up only part of your Entitlement.

You can also apply for Additional Shares under the Top-Up Facility in addition to your Entitlement by following the instructions set out in Section 5. The Top-Up Facility is described in Section 4.5 below.

#### **4.5 Application under Top-Up Facility**

Under the Top-Up Facility, Eligible Shareholders will be entitled to apply for Additional Shares in excess of their Entitlement, at the same price as New Shares under the Offer.

Shareholders wishing to subscribe for Additional Shares under the Top-Up Facility must apply for the Additional Shares at the same time as they apply for New Shares under their Entitlement by completing the appropriate section of their Entitlement and Acceptance Form. There is no limit on the number of Additional Shares that Eligible Shareholders may apply for under the Top-Up Facility, however, applications under the Top-Up Facility will only be satisfied to the extent that there is a Shortfall under the Offer. In addition, no Additional Shares will be issued to any Eligible Shareholders if, in the view of the Directors, to do so would increase that Eligible Shareholders voting power above 19.9%.

The issue of Additional Shares under the Top-Up Facility is at the discretion of the Directors.

Should such applications exceed the Shares available, a scale-back will be applied in a manner determined by the Directors in consultation with the Lead Manager.

#### **4.6 Shortfall**

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up, and which is not subscribed for under the Top-Up Facility will form part of the Shortfall.

The Company has appointed the Lead Manager to handle applications under the Shortfall Facility. The Lead Manager may offer any remaining Shares under the Shortfall Facility to sophisticated and professional investors only, at the same price that New Shares are offered to Eligible Shareholders under the Offer, however the Lead Manager will only issue Shares under the Shortfall Facility to any sophisticated or professional investor such that, in the opinion of the Directors, the voting power of that investor will be not more than 19.9% in the Company following the issue of the Shares to that investor under the Shortfall Facility.

#### **4.7 No rights trading**

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

#### **4.8 Underwriting**

The Offer is not underwritten.

#### **4.9 Bonus Issue of Options**

As announced by the Company on 24 July 2014, the Company is proposing to undertake a bonus issue of Options to Shareholders. The board has yet to set a record date for the Bonus Offer, but it is expected to be in the lead in to the period prior to the Annual General Meeting, Katana will keep the market updated with respect to Bonus Offer timetable.

#### **4.10 Overseas Eligible Shareholders**

No Offer will be made to Eligible Shareholders resident outside Australia and New Zealand.

New Shares to which any Eligible Shareholders who are not resident in Australia or New Zealand and Shares to which any Shareholders who do not have a registered address in Australia or New Zealand would otherwise be entitled will form part of the Shortfall and will be placed at the discretion of the Directors in consultation with the Lead Manager.

This Offer Document and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

#### **4.11 New Zealand Shareholders**

##### ***New Zealand***

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

In accordance with the Securities Act (Overseas Companies) Exemption Notice 2013 (NZ), a person who, on the Record Date was registered as a holder of Shares with a New Zealand address but who, as at the time of this Offer no longer holds Shares is not eligible to participate in this Offer.

#### 4.12 Notice to nominees and custodians

Nominees and custodians may not distribute any part of this Offer Document in any other country outside Australia, except to beneficial Shareholders in New Zealand and any other country where the Company may determine it is lawful and practical to make the Rights Issue<sup>1</sup>. Any person in New Zealand with a holding through a nominee may not participate in the Rights Issue.

#### 4.13 Lead Manager

The Company has appointed Taylor Collison Limited as the Lead Manager to the Offer. The Company will:

- (a) pay the Lead Manager a management fee of \$15,000 and 1% of the total amount of the Shortfall upon successful completion of the Rights Issue; and
- (b) reimburse the Lead Manager for and indemnify the Lead Manager against all costs incurred by the Lead Manager in respect of the Offer.

#### 4.14 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted is set out below.

##### Shares

	Number
Shares on issue	42,363,236
Shares offered pursuant to the Offer	5,295,405
<b>Total Shares on issue after completion of the Offer</b>	<b>47,658,641</b>

##### Notes:

- 1. This amount includes 8,400,000 shares to be issued by the Company on or about 29 August 2014 under the Placement announced to ASX on 22 August 2014.

#### 4.15 Directors Interests and Participation

Each Director's interest in the securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	Entitlement	\$
Dalton Gooding	131,102	16,388	15,077
Peter Wallace	300,000	37,500	34,500
Giuliano Sala Tenna	100,000	12,500	11,500

Mr Dalton Gooding and Mr Giuliano Sala Tenna have agreed to take up their Entitlements in whole.

#### 4.16 Balance Sheet of the Company

The unaudited Balance Sheet of the Company as at 30 June 2014 and pro-forma Balance Sheet at that date based on the completion of the Placement and Offer are set out below. The pro-forma Balance Sheet is illustrative only and may not reflect the actual position and balances as at the conclusion of the Offer.

	Unaudited 31/07/14	Pro forma 31/07/2014
<b>ASSETS</b>		
Cash and cash equivalents	6,778,814	19,416,839
Trade and other receivables	672,610	672,610
Financial assets held at fair value through profit or loss	30,381,671	30,381,671
Other assets	44,248	44,248
<b>Total current assets</b>	<b>37,877,343</b>	<b>50,515,368</b>
<b>LIABILITIES</b>		
Trade and other payables	2,054,283	2,054,283
Dividends payable	512,766	512,766
Income tax liability	391,644	391,644
Financial liabilities held at fair value through profit or loss	-	-
<b>Total liabilities</b>	<b>2,958,693</b>	<b>2,958,693</b>
<b>Net assets attributable to shareholders</b>	<b>34,918,649</b>	<b>47,556,675</b>
Share Capital	33,903,712	46,541,738
Reserves	101,100	101,100
Retained Earnings	913,837	913,837
<b>Net Capital</b>	<b>34,918,649</b>	<b>47,556,675</b>

#### 4.17 Effect of the Rights Issue on control and voting power in the Company

The issue of New Shares under the Offer is not expected to have any effect on the control of the Company on the basis that the Lead Manager has advised the Company that any Shortfall (after the issues under the Top-Up Facility) will be placed with a number of different sophisticated investors, none of whom will be able to acquire an interest in the Company in excess of 20% on completion of the Offer.

An explanation of why the issue of New Shares under the Offer is not expected to have any effect on the control the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlements, the issue of New Shares under the Offer will have no effect on the control of the Company and all Shareholders will hold the same percentage interest in the

Company, subject only to changes resulting from ineligible Shareholders being unable to participate in the Offer;

- (b) in the more likely event that there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement under the Offer will be diluted relative to those Eligible Shareholders who subscribe for some or all of their Entitlement as well as any Additional Shares under the Top-Up Facility; and
- (c) the Company will endeavour to ensure that no person will be issued, through participation in the Shortfall Facility, Shares if such issue will result in their voting power in the Company exceeding 19.9%. Having regard to the number of New Shares to be issued under the Rights Issue, even if a substantial Shortfall eventuated, a participant in the Shortfall Offer would not be in a position to exercise any substantive control in the Company.

#### **4.18 Market Price of Shares**

The highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

Highest: \$1.00 on 22 and 25 August 2014

Lowest: \$0.905 on 24 July 2014

The latest available closing sale price of the Shares on ASX prior to the announcement of this Offer Document was \$1.00 on 25 August 2014.

#### **4.19 Opening and Closing Dates**

The Offer opens on the Opening Date, being 8 September 2014, and closes on the Closing Date, being 5:00pm (WST) on 22 September 2014 (or such other dates as the Directors in their discretion shall determine subject to the Listing Rules). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

#### **4.20 Issue and dispatch**

Shares issued pursuant to the Offer will be issued in accordance with the Listing Rules and the indicative timetable set out in Section 4.3 of this Offer Document. Shares issued pursuant to the Top-Up Facility and the Shortfall Facility will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The expected dates for issue of New Shares offered by this Offer Document and despatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 4.3.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding

statements will do so at their own risk.

#### **4.21 ASX listing**

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document will be made.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

#### **4.22 CHESS**

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

#### **4.23 Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

#### **4.24 Enquiries concerning Offer Document**

Enquiries relating to this Offer Document should be directed to the Company Secretary, Mr Gabriel Chiappini, by telephone on +61 08 9327 1777.

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## 5. ACTION REQUIRED BY SHAREHOLDERS

### 5.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document. You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement **in full**:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
  - (ii) attach your cheque for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
  - (iii) fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (iv) attach your cheque for the appropriate Application monies (at \$0.93 per Share); or
- (c) if you wish to accept your full Entitlement **and** apply for additional Shares under the Top-Up Facility:
  - (i) complete the Entitlement and Acceptance Form including filling in the number of Shares under the Top-Up Facility you wish to apply for in the Top-Up Facility section on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at \$0.93 per Share) for your Entitlement plus the additional Shares you wish to apply for under the Top-Up Facility; or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and payment must reach the Company no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

### 5.2 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn

except as required by law.

### 5.3 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to **"Katana Capital Limited"** and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry at the address set out on the Entitlement and Acceptance Form by no later than 5:00pm WST on the Closing Date.

### 5.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

**It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 3.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.**

### 5.5 If you do not wish to accept any of your Entitlement

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. In that case, shares not accepted by the Closing Date will become Shortfall Shares and you will receive no benefit.



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## 6. RISK FACTORS

### 6.1 General

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

Based on the information available, a non-exhaustive list of risk factors which may affect the Company's financial position, prospects and the price of its listed securities include the following.

### 6.2 Management Risk

The success and profitability of the Company depends upon the ability of Katana Asset Management Ltd, the Company's Investment Manager (**Investment Manager**) to invest in well-managed companies and other entities which have the ability to increase in value over time. There is no guarantee that this can be achieved. The value of the assets purchased for the Company's investment portfolio may decline, which would likely have an adverse impact on the value of the Shares.

The ability of the Investment Manager to continue to manage the Company's investment portfolio is dependent upon the maintenance of the Investment Manager's Australian financial services license. The maintenance of this license will depend upon the Investment Manager's compliance with the Corporations Act and license conditions imposed by the Australian Securities and Investment Commission.

### 6.3 Risk exposure

The Company's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on ensuring compliance with the Company's Investment Mandate and seeks to maximise the returns derived for the level of risk to which the Company is exposed. The Company uses derivative financial instruments to alter certain risk exposures. Financial risk management is carried out by the Investment Manager under policies approved by the Company's Board of Directors. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ratings analysis for credit risk.

## Mandate

The Investment Manager must manage the Portfolio in accordance with guidelines for management set out in the Company's Investment Mandate, which may be amended by written agreement between the Company and the Investment Manager from time to time. The mandate provides that the Company's Investment portfolio (**Portfolio**) will be managed with the following investment objectives:

- (a) to achieve a pre tax and pre expense return which outperforms the ASX All Ordinaries Index; and
- (b) the preservation of capital invested. The Company's Investment Mandate permits the Investment Manager to undertake investments in:
  - (i) listed securities;
  - (ii) rights to subscribe for or convert to listed securities (whether or not such rights are tradable on a securities exchange);
  - (iii) any securities which the Investment Manager reasonably expects will be quoted on the ASX within a 24 month period from the date of investment;
  - (iv) listed securities for the purpose of short selling;
  - (v) warrants or options to purchase any investment and warrants or options to sell any investment;
  - (vi) discount or purchase of bills of exchange, promissory notes or other negotiable instruments accepted, drawn or endorsed by any bank or by the Commonwealth of Australia, any State or Territory of Australia, or by any corporation of at least an investment grade credit rating granted by a recognised credit rating agency in Australia;
  - (vii) deposits with any bank or corporation declared to be an authorised dealer in the short term money market;
  - (viii) debentures, unsecured notes, loan stock, bonds, promissory notes, certificates of deposit, interest bearing accounts, certificates of indebtedness issued by any bank or by the Commonwealth of Australia, any State or Territory of Australia, any Australian government authority, or a corporation of at least an investment grade credit rating granted by a recognised credit rating agency in Australia;
  - (ix) units or other interest in cash management trusts;
  - (x) underwriting or sub-underwriting of securities as and where permitted by relevant laws and regulations and the Investment Manager's Australian financial services licence; and
  - (xi) any other investment, or investment of a particular kind, approved by the Company in writing as and where permitted by the Investment Manager's Australian financial services licence.
- (c) The Company's Investment Mandate specifies the following risk control

features:

- (i) the Portfolio may comprise securities in up to 80 companies from time to time;
- (ii) no investment may represent more than 12.5% of the issued securities of a company at the time of investment;
- (iii) total cumulative gearing on the Portfolio may not exceed 50% of the total value of the net tangible assets of the Company group after tax.
- (iv) the Investment Manager will adhere to the parameters on a pre stock basis as set out in the table below unless the prior approval of the Company's Board of Directors is received to do otherwise.

To the extent that the Company has an interest in an individual company, it will be exposed to the risk factors particular to that company. In turn, it is necessary to consider the specific risk factors, including operational, financial and regulatory risks that may cause an individual investment of the Company to fall in value. This is particularly important for those companies in which the Company has a significant ownership stake.

#### **6.4 Reliance on key personnel of Company and Investment Manager**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its key personnel. In addition, the Investment Manager's ability to generate future earnings is also dependent on its ability to attract and retain its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees of the Company or the Investment Manager cease their employment.

#### **6.5 Security investments**

Applicants should be aware that there are risks associated with any securities investment. Shares listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

#### **6.6 Investment performance**

Negative investment performance could adversely affect the Company's net asset value, profits, performance, share price and ability to pay dividends. For example, if investment losses are incurred, dividends may decline or a nil dividend may be declared.

It is the objective of the Company to show positive returns on its investment regardless of the underlying movement in value of the Australian share market. With such an objective, the Company's investment portfolio value may not change in line with the overall movements in the market and its performance may differ significantly from other investment companies that seek to measure performance against the broader share market.

## **6.7 Market Conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

## **6.8 Economic risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's proposed activities, as well as on its ability to fund those activities.

## **6.9 Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Offer Document. Therefore, the Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Shareholders should consider that a further investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

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7. **DEFINED TERMS**

**\$ or A\$** means an Australian dollar.

**Additional Shares** means those New Shares not issued under the Offer.

**Applicant** refers to a person who submits an Entitlement and Acceptance Form, or submits a payment of subscription monies in respect of the Offer.

**Application** refers to the submission of an Entitlement and Acceptance Form.

**ASX** means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Bonus Offer** has the meaning given in Section 4.9.

**Closing Date** means the closing date set out in Section 4.3 or such other date as may be determined by the Directors.

**Company** means Katana Capital Limited (ACN 116 054 301).

**Directors** mean the directors of the Company.

**Eligible Shareholder** means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand.

**Entitlement** means the entitlement to subscribe for one (1) New Share for every eight (8) Shares held by an Eligible Shareholder on the Record Date.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document.

**Lead Manager** has the meaning given in Section 4.13.

**Listing Rules** means the Listing Rules of the ASX.

**Investment Manager** has the meaning given in Section 6.2.

**New Share** means a new Share proposed to be issued pursuant to this Offer.

**Offer** or **Rights Issue** means the pro rata non-renounceable offer of New Shares at an issue price of \$0.93 each on the basis of one (1) New Share for every eight (8) Shares held on the Record Date subscribed for pursuant to this Offer Document.

**Offer Document** means this Offer Document dated 26 August 2014.

**Opening Date** means the opening date set out in Section 4.3 or such other date as may be determined by the Directors.

**Placement** means the placement of 8,400,000 Shares at \$0.93 per Share to raise \$7,812,000.

**Portfolio** has the meaning given in Section 6.3.

**Record Date** means the record date set out in Section 4.3 or such other date as may be determined by the Directors.

**Section** means a section of this Offer Document.

**Share** means an ordinary fully paid share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Share Registry** means Computershare Investor Services Ltd.

**Shortfall** means those Shares under the Offer not applied for by Shareholders under their Entitlement or under the Top-Up Facility.

**Shortfall Facility** means a facility where remaining Shares not taken up by Eligible Shareholders under the Offer or the Top-Up Facility are offered to the Lead Manager, at the discretion of the Directors.

**Top-Up Facility** means a facility where Eligible Shareholders may apply for additional New Shares in excess of their Entitlement.

**WST** means Australian Western Standard Time.

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Katana Capital Limited

ABN

116 054 301

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | Ordinary shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 5,295,504   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Shares will rank equally with current ordinary fully paid shares in the Company |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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4	<p>Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes
5	Issue price or consideration	\$0.93 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Company intends to use the funds raised from the issue for the purpose of increasing the size and breadth of its existing investment portfolio.
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	22 November 2013
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	Nil as at the date of this Appendix 3B, but 5,100,362 agreed to be issued under placement announced 22 August 2014
6d	Number of <sup>+</sup> securities issued with security holder approval under rule 7.1A	Nil as at the date of this Appendix 3B, but 3,299,638 agreed to be issued under placement announced 22 August 2014
6e	Number of <sup>+</sup> securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil as at the date of this Appendix 3B

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<sup>+</sup> See chapter 19 for defined terms.



6f	Number of +securities issued under an exception in rule 7.2	Nil as at the date of this Appendix 3B	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 - 0 7.1A – 100,603	
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	29 September 2014	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 47,363,641	+Class Ordinary fully paid shares.

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Nil
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Subject to compliance with Corporations Act and ASX Listing Rules the Company intends to declare quarterly dividends. Objective is to have the dividend franked fully franked, subject to available franking credits.

## Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 : 8
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	3 September 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded up
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Offer will only be made to Eligible Shareholders resident outside Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	22 September 2014
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A

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+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	8 September 2014
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/a
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/a

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- |    |   |                   |
|----|---|-------------------|
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/a               |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)?                    | N/a               |
| 33 | +Issue date   | 29 September 2014 |

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34      Type of +securities  
          *(tick one)*

(a)      ☐ +Securities described in Part 14252

(b)      ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35      ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36      ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
          1 - 1,000  
          1,001 - 5,000  
          5,001 - 10,000  
          10,001 - 100,000  
          100,001 and over
- 37      ☐ A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38	Number of +securities for which +quotation is sought	N/a					
39	+Class of +securities for which quotation is sought	N/a					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	N/a					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/a					
42	Number and +class of all +securities quoted on ASX ( <i>including</i> the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> <tr> <td style="text-align: center; vertical-align: top;">N/a</td> <td></td> </tr> </table>	Number	+Class	N/a		N/a
Number	+Class						
N/a							

+ See chapter 19 for defined terms.

**Quotation agreement**

1      +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2      We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3      We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4      We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Gabriel Chiappini  
Company secretary

Date: 26/8/2014

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	35,267,217
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	Nil  Nil
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	1,264,798
<b>“A”</b>	34,002,419

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	5,100,362

  

<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of <sup>+</sup>equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• This applies to equity securities, unless specifically excluded – not just ordinary securities</li> <li>• Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	<ul style="list-style-type: none"> <li>• 5,100,362</li> </ul>
<b>“C”</b>	5,100,362

  

<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b> <i>Note: number must be same as shown in Step 2</i>	5,100,362
<b>Subtract “C”</b> <i>Note: number must be same as shown in Step 3</i>	5,100,362
<b>Total [“A” x 0.15] – “C”</b>	0 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.



## Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	34,002,419
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	3,400,241
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	<ul style="list-style-type: none"> <li>• 3,299,638</li> </ul>
<b>“E”</b>	3,299,638
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	3,400,241
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	3,299,638
<b>Total [“A” x 0.10] – “E”</b>	100,603 <i>Note: this is the remaining placement capacity under rule 7.1A</i>