

LISTING RULE COMPLIANCE

It has been brought to our attention that the Company inadvertently breached Listing Rule 7.1A in its issue of 349,000,000 shares on 31 July 2014.

An error in calculation resulted in the issue price of \$0.0008 per share being slightly below 75% of the 15 day VWAP as specified in Listing Rule 7.1A. The ASX has therefore determined that the share issue must be treated as if it had been made under Listing Rule 7.1, although the Company had effectively exhausted (except for a remaining balance of 67 shares) this entitlement in previous issues.

Accordingly, the ASX has requested that the Company prepare an announcement stating the following:

1. The Company has exceeded its capacity to issue equity securities without security holder approval under Listing Rule 7.1 by 348,999,933 equity securities. The non-compliance with Listing Rule 7.1 is due to the 31 July shares being issued at a price below 75% of the Company's 15 day VWAP.
2. Ratification by security holders of the 348,999,933 equity security holders will not refresh the Company's capacity to issue securities without security holder approval under Listing Rule 7.1, as ratification under Listing Rule 7.4 is only available where the securities are issued without breaching Listing Rule 7.1.
3. The Company has provided ASX with an undertaking not to issue any equity securities without security holder approval until 31 March 2015, unless the issue comes within an exception in Listing Rule 7.2.

Norman Grafton
Company Secretary
Blaze International Limited