

Movement in Director Holdings

Katana Capital Limited (ASX: KAT) ("Katana") is pleased to note that Mr Dalton Gooding and Mr Giuliano Sala Tenna took up their rights in the Non Renounceable Rights Offer dated 8 September 2014.

Details of shareholdings are noted below:

1. Mr Dalton Gooding, current shareholding 149,744 shares, with 16,639 rights taken up per the Rights offer.
2. Mr Giuliano Sala Tenna, current shareholding 112,500 shares, with 12,500 rights taken up per the Rights offer.

Appendices 3Y follows for the rights offer shares taken up by Mr Gooding & Mr Sala Tenna, together with Schedule 1 on Katana's director securities movement disclosure policy.

Yours sincerely

Gabriel Chiappini
Company Secretary

Schedule 1

Director Securities Movement Disclosure Policy

Due to the rights being taken up by the directors as an off-market movement and not an on-market trading of shares, there was an oversight in the timely disclosure of the movement in shares held.

Katana notes the following as an update on its Director Securities Movement Disclosure Policy:

- Explanation on why the Appendices 3Y were lodged late.

Katana has in place a disclosure process for director trades that occurs for on-market buying or selling of securities. As a result of the Rights Offer take up by the directors being off-market, the trades noted in this update were not notified within the specified time period.

- Arrangements that the Company has in place with its directors to ensure that it is able to meet its disclosure obligations under ASX listing rule 3.19A?

Katana has in place a disclosure process for director trades that occurs for on-market buying or selling of securities to ensure that the Company is able to meet the 5 trading day rule for notification to the ASX. Directors are required to notify the company on any securities trading in the company as soon as possible

- If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with ASX listing rule 3.19B?

The company believes that the current arrangements are adequate and whilst the process above has worked well, the company is considering an additional process to ensure that both on-market and off-market trades are notified immediately. This may involve having an automatic share registry alert that notifies the company on any director securities movements.

Appendix 3Y

Change of Director's Interest Notice

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 30/9/2001.

| | |
|-----------------------|-------------------------------|
| Name of entity | Katana Capital Limited |
| ABN | 56 116 054 301 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|-------------------|
| Name of Director | Mr Dalton Gooding |
| Date of last notice | 4 September 2014 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Direct or indirect interest | Indirect |
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | Dalton Gooding as a director and shareholder of Moulyinning Nominees Pty Ltd |
| Date of change | 26 September 2014 |
| No. of securities held prior to change | Indirect shareholding 133,105 Fully paid ordinary shares |
| Class | Fully paid ordinary shares |
| Number acquired | 16,639 |
| Number disposed | NIL |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | \$0.93 per share – in accordance with Non Renounceable Rights Offer dated 8 September 2014 |
| No. of securities held after change | Indirect shareholding 149,744 Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | Off Market via take up of rights per Non Renounceable Rights Offer dated 8 September 2014 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Detail of contract | |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed | |
| Interest acquired | |
| Interest disposed | |
| Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation | |
| Interest after change | |

Part 3 – ⁺Closed period

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Were the interests in the securities or contracts detailed above traded during a ⁺ closed period where prior written clearance was required? | No |
| If so, was prior written clearance provided to allow the trade to proceed during this period? | Not applicable |
| If prior written clearance was provided, on what date was this provided? | Not applicable |

⁺ See chapter 19 for defined terms.

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Introduced 30/9/2001.

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| Name of entity | Katana Capital Limited |
| ABN | 56 116 054 301 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|------------------------|
| Name of Director | Mr Giuliano Sala Tenna |
| Date of last notice | 26 April 2007 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Direct or indirect interest | Indirect |
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | Cinto Holdings Pty Ltd as Trustee for Sala Tenna Family a/c, with Mr Sala Tenna as beneficial holder of economic interests |
| Date of change | 26 September 2014 |
| No. of securities held prior to change | Shareholding 100,000 Fully paid ordinary shares |
| Class | Fully paid ordinary shares |
| Number acquired | 12,500 |
| Number disposed | NIL |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | \$0.93 per share – in accordance with Non Renounceable Rights Offer dated 8 September 2014 |
| No. of securities held after change | Indirect Shareholding 112,500 Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small> | Off Market via take up of rights per Non Renounceable Rights Offer dated 8 September 2014 |
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| Detail of contract | |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small> | |
| Interest acquired | |
| Interest disposed | |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small> | |
| Interest after change | |

Part 3 – +Closed period

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------|
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| If so, was prior written clearance provided to allow the trade to proceed during this period? | Not applicable |
| If prior written clearance was provided, on what date was this provided? | Not applicable |

+ See chapter 19 for defined terms.