



ASX: ZYL

27 February 2017

ASX WAIVER

The Company advises that ASX Limited has granted the Company a waiver from Listing Rule 14.7 as follows:

1. *Subject to Resolutions 2 and 3, and based solely on the information provided, ASX Limited ("ASX") grants the Company a waiver from listing rule 14.7 to the extent necessary to permit the Company to issue, as approved by shareholders at the general meeting held on 29 September 2016, the following securities (on a post consolidation basis) later than 3 months after the date of shareholder approval:*
 - 1.1. *40,000,000 fully paid ordinary shares ("Proponent Shares");*
 - 1.2. *10,000,000 fully paid ordinary shares ("Compliance Adviser Shares");*
 - 1.3. *200,000,000 fully paid ordinary shares ("General Placement Shares"); and*
 - 1.4. *20,000,000 fully paid ordinary shares ("Loan Conversion Shares")*

(together, the "Recapitalisation Securities").
2. *The Recapitalisation Securities are issued no later than 1 March 2017 and otherwise on the same terms as approved by shareholders on 29 September 2016.*
3. *The terms of this waiver are released to the market immediately.*
4. *ASX has considered listing rule 14.7 only and makes no statement as to the Company's compliance with other Listing Rules.*

The Company will now proceed to complete the recapitalisation proposal and will make a further announcement once completion has occurred.

Oonagh Malone
Company Secretary