



ASX ANNOUNCEMENT

2 March 2018

Listing Rule Disclosure- Placement

On 9 February 2018 the Company announced the placement of 20,000,000 shares at 3 cents each to raise \$600,000 in working capital. 12,000,000 shares were issued with immediate effect, with 6,000,000 shares issued pursuant to Listing Rule 7.1A.

The Company provides the following additional information pursuant to Listing Rule 3.10.5A: The dilutive effect on the Shares of existing shareholders, as a result of the issue of Shares under the placement, is as follows:

	Shares	Dilution
Shares on issue prior to Placement	66,889,153	
Shares issued under Listing Rule 7.1	6,000,000	8.23%
Total Shares on issue after Listing Rule 7.1 issue	72,889,153	
Shares issued under Listing Rule 7.1A	6,000,000	7.60%
Total Shares on issue following Placement	78,889.153	

Due to the relatively small amount of capital being raised, the Directors formed the view that the placement was the most expedient mechanism for raising funds in a timely manner, rather than by a pro rata issue. The Directors also recognized that the Company was undertaking a Share Purchase Plan (SPP) for all shareholders, with the company having a large number of shareholders with small holdings. The SPP offer price of 3 cents per share was the same as the placement price.

The placement was not underwritten, and a fee of 6% was paid in relation to the placement.

David McArthur
Director