

January 17, 2019

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Appendix 3B – Exercise of Options - Schaffer Corporation Limited
("Schaffer" or "The Company") (ASX Code: SFC)

Attached is an Appendix 3B advising details of the issue of 5,000 fully paid ordinary shares in the Company following the exercise of unlisted options. The securities have now been issued, raising \$37,700.

Schaffer Corporation Limited gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) that:

1. On **January 17, 2019**, Schaffer issued **5,000** fully paid ordinary shares (**New Shares**) on the exercise of share options granted under the terms of the Company's Employee Share Option Plan. Schaffer issued the New Shares without disclosure to investors under Part 6D.2 of the Corporations Act.
2. As at the date of this notice:
 - (a) Schaffer has complied with the provisions of Chapter 2M of the Corporations Act as they apply to Schaffer;
 - (b) Schaffer has complied with section 674 of the Corporations Act; and
 - (c) there is no "excluded information" within the meaning of sections 708A(7) and 708A(8) of the Corporations Act which is required to be disclosed under section 708A(6)(e) of the Corporations Act.

Yours sincerely



Jason Cantwell
Company Secretary

Head Office: 1305 Hay Street, West Perth WA 6005 **Postal Address:** PO Box 770, West Perth WA 6872

Telephone: +61 8 9483 1222 **Facsimile:** +61 8 9481 0439 **Website:** www.schaffer.com.au

Schaffer Corporation Limited ABN 73 008 675 689

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

Schaffer Corporation Limited

ABN

73 008 675 689

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 | LISTED ORDINARY SHARES (ASX: SFC) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 5,000 |
| 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) | ORDINARY FULL PAID SHARES |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities? If the additional ⁺securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	YES				
5 Issue price or consideration	\$37,700				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	SHARES ISSUED UPON EXERCISE OF OPTIONS IN ACCORDANCE WITH THE SFC COMPANY ESOP				
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.	17 JANUARY 2019				
8 Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="686 1478 997 1512">Number</th> <th data-bbox="997 1478 1283 1512">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1512 997 1733">13,840,596</td> <td data-bbox="997 1512 1283 1733">ORD (SFC)</td> </tr> </tbody> </table>	Number	⁺ Class	13,840,596	ORD (SFC)
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13,840,596	ORD (SFC)				

⁺ See chapter 19 for defined terms.

		<table><tr><th>Number</th><th>+Class</th></tr><tr><td>47,500</td><td>ESOP OPTIONS WITH EXERCISE PRICE \$7.54 AND EXPIRY 6 SEPTEMBER 2022.</td></tr><tr><td>70,000</td><td>ESOP OPTIONS WITH EXERCISE PRICE \$14.10 AND EXPIRY 2 AUGUST 2023.</td></tr></table>	Number	+Class	47,500	ESOP OPTIONS WITH EXERCISE PRICE \$7.54 AND EXPIRY 6 SEPTEMBER 2022.	70,000	ESOP OPTIONS WITH EXERCISE PRICE \$14.10 AND EXPIRY 2 AUGUST 2023.
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70,000	ESOP OPTIONS WITH EXERCISE PRICE \$14.10 AND EXPIRY 2 AUGUST 2023.							
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	ALL SFC ORDINARY SHARES RANK EQUALLY FOR DIVIDENDS						

Part 2 - Pro rata issue

Items 11 to 33 are not applicable

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 1

(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

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

10,001 - 100,000
100,001 and over

- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- | |
|--|
| |
|--|

- 39 +Class of +securities for which quotation is sought
- | |
|--|
| |
|--|

- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- | |
|--|
| |
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- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)
- | |
|--|
| |
|--|

- | Number | +Class |
|--------|--------|
| | |
- 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

+ 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: Date: 17 JANUARY 2019
(~~Director~~/Company secretary)

Print name: JASON MARK CANTWELL

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+ See chapter 19 for defined terms.