

Coretrack provides Share Purchase Plan update

ASX ANNOUNCEMENT

21 April 2015

Coretrack Limited (ASX: CKK) (Coretrack, the Company) is pleased to provide the following update in relation to its recently completed Share Purchase Plan (SPP).

Coretrack recently announced it had closed its SPP early, on 13 April 2015, after successfully raising the maximum amount \$580,000 allowed under the ASX listing rules, amidst overwhelming demand from eligible shareholders.

The Company is delighted with the response from eligible shareholders and advises that applications totalling \$1,199,000 were received at the revised, early closing date. The SPP was originally due to close on Friday, 24 April 2015.

Under the listing rules, Coretrack was able to issue a maximum of 30% of its issued share capital under the SPP, which was 181,250,039 shares – which equated to the maximum amount raised of \$580,000 at the SPP issue price of \$0.0032.

Coretrack will allot the 181,250,039 shares under the SPP in the next day as follows;

- All shareholders who subscribed for up to \$2500 in the SPP will receive their allocation in full;
- All shareholders who subscribed for more than \$2,500 worth of shares have been proportionally allocated and will receive approximately 46% of their requested allocation.

In response to the extremely high level of demand for the SPP Offer, Coretrack advises that it has varied the SPP to enable eligible shareholders to have their additional subscriptions to the SPP allocated, subject to shareholder approval at an EGM to be held next month. Funds will be held in trust in an interest bearing account until shareholder approval has been obtained for the issue of the Additional Shares pursuant to Listing Rule 7.1. If shareholders approve the issue of the Additional Shares, Coretrack will issue and allot the same and retain the Additional Proceeds, plus any interest earned thereon.

If shareholders do not approve the issue of the Additional Shares, Coretrack will not issue the Additional Shares and will refund the Additional Proceeds, plus any interest earned thereon to Eligible Shareholders.

The Additional Funds will be used for commercialisation of the Company's next generation, fly-ash based, proppant for use in hydraulic fracturing (fracking) of oil and gas wells globally, and for working capital purposes.

Update on appointment of EAS Advisors as Corporate Advisor

Further to the ASX Announcement made on 16 April 2015 announcing the appointment of New York based corporate advisory firm, EAS Advisors LLC ("**EAS**"), as Coretrack Ltd's corporate advisor, Coretrack (ASX: **CKK**) ("**Coretrack**" or the "**Company**") also intends at the forthcoming shareholders meeting to seek approval for certain incentives available to EAS pursuant to the Consulting Services Agreement (the "**Agreement**") between the Company and EAS.

Under the Agreement, Coretrack has incentivised EAS to achieve the Milestones under the Ecopropp acquisition. EAS is to receive 2.5% of the value paid to Ecopropp's shareholders for the Ecopropp acquisition by Coretrack, paid in Coretrack shares upon certain milestones being achieved.

As previously advised (ASX Announcement, 12 May 2014), Coretrack entered into various agreements with the former shareholders of Ecopropp (**Ecopropp Vendors**) to acquire 100% of the shares in Ecopropp. The consideration payable by the Company to the Ecopropp Vendors is the issue of Shares on a pro rata basis. The Shares are to be issued in three tranches – on the settlement of the Share Sale Agreements (upon exercise of various option agreements entered into by Coretrack and key Ecopropp Vendors (which will occur upon satisfaction or deemed satisfaction of Milestone 1)) and upon satisfaction or deemed satisfaction of Milestones 2 and 3. If the Milestones are not satisfied or deemed to be satisfied within the required time frame, then no Milestone Shares will be issued to the Vendors. Full details of Milestones 2 & 3, the Milestone 2 & 3 Shares and the applicable completion dates have been provided in past ASX releases.

As previously advised on 8 April 2015, the Company issued the Milestone 1 Shares to the Ecopropp Vendors on 1 April 2015. Therefore, if EAS achieve the relevant milestone EAS will be entitled to be issued 7,375,000 Shares.

The number of Shares to which EAS may become entitled if Milestones 2 & 3 is also met is calculated by reference to the volume weighted average price (**VWAP**) of Shares for the 5 days on which Coretrack Shares have traded on ASX before the announcement of the achievement of the relevant Milestone. The Company is presently unable to advise the precise maximum number of Shares that may be issued in the event of achievement of the Milestones 2 and 3. By way of example, on the assumption that Milestones 2 and 3 were achieved and the 5 day VWAP for Coretrack Shares was 1.1 cents per Share, EAS would be entitled to be issued an additional 26,636,364 Coretrack Shares.

Coretrack is delighted to be working with EAS to facilitate the timely satisfaction of the remaining Milestones.

ENDS

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About Coretrack

Coretrack Ltd (ASX: CKK) is an Australian oil and gas technology company focused on developing a next generation, fly-ash based, proppant for use in hydraulic fracturing (fracking) of oil and gas wells globally. Proppants are a major input and cost item in the fracking process and represent a multi-billion dollar global market annually. They are a sand-like commodity used to 'prop' open fractures in shale rocks which allows oil and gas to flow. Coretrack is seeking to commercialise its proppant as a cost effective, superior alternative to bauxite and clay based proppants, typically used in fracking operations currently. The Company is in the final stages of construction of a pilot scale proppant manufacturing plant in Queensland, Australia, and plans to commence production in Q2, 2015. It then plans to seek joint venture partners and/or licensing agreements to commercialise its proppant product, and deliver significant returns to shareholders.