



8 April 2015

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

By e-lodgement

ASIA PACIFIC DIGITAL LIMITED ANNOUNCES PRO RATA RIGHTS ISSUE

Pro Rata Rights Issue

The Company is pleased to announce that it will provide Eligible Shareholders the opportunity to participate in a fully underwritten pro rata non-renounceable Rights Issue of one (1) fully-paid share (**New Share**) for every twenty (20) shares they hold on the Record Date (**Rights Issue**) at the same price of 42.5 cents recently offered under the Placement (refer announcement to ASX of 16 March 2015). The Rights Issue will also include a Shortfall Facility that will provide shareholders the opportunity to request additional shares above their pro-rata entitlement.

The Rights Issue will raise gross proceeds of approximately \$1.8 million.

The Rights Issue will be fully underwritten by existing shareholder, Wentworth Financial Pty Limited (**Underwriter**), a company controlled by APD's Chairman, Roger Sharp. The terms of the underwriting arrangement will be included in the Offer Document.

Any entitlement not taken up pursuant to the Offer will form the shortfall that will be dealt with first in accordance with the Shortfall Facility and then by the Underwriter. The allocation of any additional New Shares under the Shortfall Facility will be at the discretion of the Directors, in consultation with the Underwriter.

The Rights Issue will be open to Eligible Shareholders with a registered address in Australia or New Zealand at 7.00pm on 16 April 2015 (**Record Date**). New Shares issued under the Rights Issue will rank equally with all ordinary shares of the Company.

The primary purpose of the Rights Issue (and recent Placement) is to provide the Company with additional capital to continue to:

- pursue strategic growth initiatives in and around South East Asia region; and
- cover general working capital requirements for the group.

Further detail about the Rights Issue will be set out in the Rights Offer Document, which the Company expects to dispatch to Eligible Shareholders on or before 21 April 2015.

Eligible Shareholders wishing to participate in the Rights Issue should carefully read the Rights Offer Document.

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An Appendix 3B in connection with the Rights Issue is also being lodged by the Company with the ASX today.

Secured Debt Facility

The Company notes that under the existing Secured Debt Facility (total principal outstanding of \$3.5m), financiers have the right to elect to receive shares in part or full repayment of principal or interest owed, in the event that the Company undertakes a capital raising. Any shares issued under this arrangement are on the same terms as the associated capital raising.

APD has commenced discussions with the financiers and will advise of any conversion of debt to equity under the Secured Debt Facility (on the same terms as the Rights Issue) in due course.

For more information:

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Appendix 1 Rights Issue details



Appendix 1

Pro Rata Rights Issue (Non-renounceable 1:20)

Offer Type	Non-renounceable rights issue of 1 for every 20 existing shares at the Record Date
ASX Code	DIG
Security	Fully-paid ordinary shares
Offer Price	42.5 cents
Underwriter	The Rights Issue is fully underwritten by Wentworth Financial Pty Ltd, a related party of the Company which is controlled by the Company's chairman, Roger Sharp. The Underwriter will receive a fee of 5% of the value of the New Shares it underwrites at the issue price, plus GST.
Eligible Shareholders	Registered holders of DIG shares at 7.00pm AEST on Thursday, 16 April 2015 (Record Date) and registered holders must have a registered address in Australia or New Zealand are not in the United States and are not a US person or acting for the account of or on behalf of a person in the United States or a US person and are eligible under all applicable securities laws to receive an offer under the Rights Issue.
Non- Renounceable	Entitlements to participate in the Rights Offer are not transferable and therefore cannot be traded on the ASX or any other exchange or transferred privately. Eligible Shareholders that do not take up their entitlements under the Rights Issue, in full or in part, will not receive any value in respect of those entitlements not taken up.
Shortfall Facility	Eligible Shareholders may also apply for additional new shares in excess of their pro-rata entitlement via a Shortfall Facility. Shareholders must apply for the additional shares at the same time as they apply for their entitlements under the Rights Issue. Application under the Shortfall Facility will only be satisfied to the extent there is a shortfall under the Rights Issue and will be subject to the terms and conditions to be outlined in the Offer Document associated with the Rights Issue. The Board reserves the right to allocate new shares under the Shortfall Facility in its absolute discretion.

Key Dates

Event	Date
Announcement of Rights Issue	8 April 2015
Lodgement of documents associated with the Rights Issue Lodgement of Appendix 3B	8 April 2015
Dispatch of notices to Shareholder informing them of Rights Issue	13 April 2015
Rights Offer Ex-Date "Ex-Date" (date from which securities commence trading without the entitlement to participate in the Rights Issue)	14 April 2015
Rights Offer Record Date Record Date (date for determining entitlements of Eligible Shareholders to participate in the Rights Issue)	16 April 2015

Event	Date
Despatch of Offer Documents to Eligible Shareholders Dispatch of Rights Issue Letter of Offer and personalised Entitlement and Acceptance Form to Eligible Shareholders (and Lodgement with ASX)	21 April 2015
Rights Offer Opening Date The first day for receipt of acceptances under the Rights Issue including applications under the Shortfall Facility	21 April 2015
Rights Offer Closing Date The Closing Date for acceptances (5pm Sydney time) including last day to apply under the Shortfall Facility	5.00pm (AEST) on 30 April 2015
Deferred Settlement Trading New Shares issued under the Rights Issue expected to commence quotation on ASX on a deferred settlement basis	1 May 2015
Rights Offer Shortfall Date Allocation of shares under the Shortfall Facility allocated and announcement made to ASX. Announcement made to ASX of any shortfall under the Rights Issue after take up under the Shortfall Facility	5 May 2015
Issue of Shares under the Rights Offer Issue date for New Shares allotted under the Rights Offer (including shares under the Shortfall Facility) and New Shares commence trading on ASX on a normal settlement basis	7 May 2015
Normal Trading Trading of New Shares expected to commence on ASX	8 May 2015

All the dates and times are indicative only and subject to change at the discretion of the Company. All times are references to Australia Eastern Daylight Savings Time (AEST)

Use of Funds

The primary purpose of the Rights Issue is to provide the Company with additional capital to continue to:

- pursue strategic growth initiatives in and around South East Asia region;
- cover general working capital requirements for the group.