

13 May 2015



Dear Shareholder,

## NON-RENOUNCEABLE RIGHTS ISSUE AND SHORTFALL OFFER

On 12 May 2015, Century Australia Investments Limited (ASX:CYA) (**Century Australia**) announced it is undertaking a non-renounceable 1 for 5 rights issue (**Entitlement Offer**) at an issue price of \$0.846 per share (**New Share**) to raise up to approximately \$11.5 million before costs of the Entitlement Offer. Fractional entitlements will be rounded up to the nearest number of whole New Shares.

The Entitlement Offer is open to all shareholders (**Eligible Shareholders**) who:

- are registered as a holder of shares in Century Australia as at 7:00pm (Sydney time) on Monday, 18 May 2015 (**Record Date**);
- 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 Entitlement Offer.

The price payable on application for each New Share is \$0.846, representing a discount of approximately 7% to the volume weighted average price of the shares on the ASX on 8 May 2015, the day 2 trading days prior to the date of announcement of the Entitlement Offer, and a discount of over 8% to the estimated net tangible asset backing per Share (after all tax balances) as at that date.

The New Shares will be fully paid and will rank equally with Century Australia's existing issued shares.

The maximum number of New Shares to be issued under the Entitlement Offer is 13,644,284 (subject to the effect of rounding) which would raise up to \$11,543,064 in gross proceeds, and would result in total issued shares in the Century Australia of 81,865,704 (if the Entitlement Offer is fully subscribed and subject to the effect of rounding).

Net proceeds from the Entitlement Offer will be used by Century Australia for further investments consistent with the Century Australia's investment objective of providing long-term capital growth and income by investing in quality, undervalued Australian companies.

There is no broker to the Entitlement Offer.



## Shortfall Offer

In the event that there is a shortfall in applications under the Entitlement Offer, Eligible Shareholders who take up their entitlement under the Entitlement Offer in full also have the ability to apply (at the same time they are applying for allocations under the Entitlement Offer) for additional New Shares under the shortfall offer (**Shortfall Offer**). Each Eligible Shareholder may apply for up to such number of additional New Shares out of the shortfall that is equal to their entitlement under the Entitlement Offer, provided that the issue of such New Shares will not result in a breach of the ASX Listing Rules or any applicable law.

If applications from Eligible Shareholders under the Shortfall Offer and under the underwriting by Directors (see below) exceed the shortfall, those applications will be scaled back pro-rata in proportion to each applicant's shareholding as at the Record Date, and the number of New Shares produced from that scaling back will be issued.

## Directors' recommendation

The Directors unanimously support the raising and recommend to Shareholders that they fully participate in the Entitlement Offer and the Shortfall Offer. The Directors cannot participate in the Shortfall Offer due to the restriction under ASX Listing Rule 10.11. However the ASX has confirmed that the Directors may participate by way of underwriting the Entitlement Offer to the extent that they would otherwise be entitled to participate in the Shortfall Offer.

## Partial Underwriting by Directors

All of the directors of Century Australia, Messrs Robert Turner, Ross Finley, Geoff Wilson and Stephen Menzies, have arranged for their associated shareholding entities to enter into underwriting agreements with Century Australia to **partially underwrite** the Entitlement Offer up to a maximum aggregate amount of approximately \$5.3 million. The final maximum aggregate amount may be lower as a result of the cap on the underwriters nominated by Mr Geoff Wilson, on both their participation of the Entitlement Offer and their underwriting commitment, to the number of Shares that would result in their voting power being 3% higher than it was 6 months prior to the issue date.

No underwriting fee or commission is payable to the underwriters in respect of the Entitlement Offer. Details regarding the terms of the underwriting are set out in the Offer Booklet.

## Timetable

The indicative timetable for the Entitlement Offer and the Shortfall Offer (together, the **Offer**) is as follows:

Announcement of Offer	Tuesday, 12 May 2015
Despatch of notice to Shareholders containing the information required by Appendix 3B	Wednesday, 13 May 2015
Ex Date	Thursday, 14 May 2015
Record Date	Monday, 18 May 2015



Opening Date for the Offer	Thursday, 21 May 2015
Offer Booklet sent to Shareholders	Thursday, 21 May 2015
Closing Date	Thursday, 11 June 2015
Offer shares quoted on a deferred settlement basis	Friday, 12 June 2015
Notification to ASX of under subscriptions	Tuesday, 16 June 2015
Issue Date	Thursday, 18 June 2015
Expected commencement of normal trading in New Shares on ASX	Friday, 19 June 2015

All dates and times are indicative only and subject to change at the discretion of the Century Australia.

The Offer is being undertaken under section 708AA of the Corporations Act, meaning that the Century Australia will not issue a prospectus for the Offer. Instead, an Offer Booklet detailing the terms of the Offer will be sent to Eligible Shareholders on or about Thursday, 21 May 2015, together with a personalised Entitlement and Acceptance Form.

The Offer is not subject to shareholder approval and Century Australia has not previously obtained shareholder approval under ASX Listing Rule 7.1A.

Further details regarding the Offer are set out in the Offer Booklet which Century Australia lodged with ASX on 12 May 2015 and expects to despatch to the shareholders on Thursday, 21 May 2015. Eligible shareholders wishing to participate in the Offer should carefully read the Offer Booklet and the accompanying personalised entitlement and acceptance form. Copies of the Offer Booklet are available on the Company's website at [www.centuryaustralia.com.au](http://www.centuryaustralia.com.au) and on the ASX website.

On behalf of the Board of Century Australia, we thank you for your continued support and invite you to consider the opportunity now offered with this Offer.



**Robert Turner**  
Chairman

