

ASX RELEASE

9 June 2015

Revised offer price - fully underwritten Entitlement Offer

Mitchell Services Limited (ASX Code: MSV) (**Company**) announced earlier today that it intends to conduct an equity raising through a 4 for 7 pro rata non-renounceable entitlement offer of fully paid ordinary shares in the Company (**Entitlement Offer**), to partially fund the acquisition of drilling rigs and associated assets of Nitro Drilling Pty Limited (in receivership) (**Acquisition**).

After discussions with ASX today, the Company has elected to reduce the offer price for the Entitlement Offer from \$0.0175 to \$0.0170 in order to ensure that the offer price can be entered in the ASX trading platform in compliance with the ASX Operating Rules.

The ASX Operating Rules require the minimum bid price multiple for securities trading below 10 cents be 0.1 cents. On that basis, the Company has reduced the offer price by \$0.0005 to \$0.0170 per share.

The revised offer price for the Entitlement Offer of \$0.017 per share represents:

- a 32% discount to the last traded price of Mitchell Services shares before the offer was announced (being \$0.025 on 3 June 2015);
- a 26.7% discount to the 1 week VWAP of Mitchell Services shares of \$0.0232 per share;
- a 26.4% discount to the 1 month VWAP of Mitchell Services of \$0.0231 per share; and
- a 23.08% discount to the theoretical ex-rights price (TERP)¹.

As a result of the revised offer price, the total amount raised under the Entitlement Offer will be reduced by approximately \$250,000 from \$8.67 million to \$8.42 million.

The reduction in the gross proceeds raised does not affect the Company's ability to complete the Acquisition and the Entitlement Offer remains fully underwritten.

The Company will shortly be re-issuing the offer documentation in connection with the Entitlement Offer which was lodged with ASX earlier today and the timetable will be revised as follows:

¹ The theoretical ex-rights price of \$0.0221 is calculated using Mitchell Services' closing price on 3 June 2015 assuming proceeds from the Entitlement Offer of \$8.42 million. TERP is the theoretical price at which shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP.

Mitchell Services Limited

ABN 31 149 206 333

112 Bluestone Circuit
Seventeen Mile Rocks Qld 4073 Australia
PO Box 3250 Darra Qld 4076 Australia

t +61 7 3722 7222
e info@mitchellservices.com.au

f +61 7 3722 7256
w www.mitchellservices.com.au

Revised timetable

Activity	Date
Trading halt	4 June 2015
Announcement of the Entitlement Offer	9 June 2015
Record Date for Entitlement Offer (7.00pm AEST)	16 June 2015
Information Booklet and Entitlement and Acceptance Form despatched	17 June 2015
Entitlement Offer opens	17 June 2015
Closing date for acceptances under Entitlement Offer (5.00pm AEST)	26 June 2015
Allotment of New Shares under the Entitlement Offer	3 July 2015
Despatch of holding statements for New Shares issued under the Entitlement Offer	3 July 2015
Normal ASX trading for New Shares issued under the Entitlement Offer commences	3 July 2015

For more information, contact:

Andrew Elf – Chief Executive Officer Telephone +617 3722 7222

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

This document may not be distributed or released in the United States.

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Mitchell Services does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

Mitchell Services Limited

ABN 31 149 206 333

112 Bluestone Circuit
Seventeen Mile Rocks Qld 4073 Australia
PO Box 3250 Darra Qld 4076 Australia

t +61 7 3722 7222

e info@mitchellservices.com.au

f +61 7 3722 7256

w www.mitchellservices.com.au