

PETRATHERM LTD



Level 1, 169 Fullarton Road, Dulwich,
South Australia 5065
Tel: +61 8 8274 5000
Website www.petratherm.com.au
Email admin@petratherm.com.au
A.C.N. 106 806 884

18 December 2015

Dear Shareholder

NON-RENOUNCEABLE RIGHTS ISSUE – APPENDIX 3B NOTICE

Petratherm Limited (**Company**) announced on 17 December 2015 a capital raising by way of two for five pro-rata non-renounceable rights issue that does not require shareholder approval. In accordance with the Listing Rules of the Australian Securities Exchange (**ASX**), the Company is pleased to provide you with the following information about the rights issue.

Each eligible shareholder registered on the Company's register of members at 7.00 pm (Adelaide time) on 23 December 2015 (**Record Date**) will be entitled to subscribe for two new fully paid ordinary shares in the Company for every five ordinary shares held as at the Record Date at a price of \$0.003 per new share. The issue price of the new shares under the offer represents a discount of 43.40% to the volume weighted average price of the Company's shares during the 14 trading day period up to and including 16 December 2015.

In addition to being able to apply for new shares under the rights issue, eligible shareholders will also have the opportunity to apply for additional new shares that are not subscribed for under the rights issue.

Please note that the Company's shares will be quoted on an 'ex' basis from 21 December 2015, and therefore any of the Company's shares bought on market on and after this date will not be entitled to participate in the rights issue.

The maximum number of new shares to be issued (excluding the exercise of any unlisted options) is 207,877,031 new shares, which would raise approximately \$623,631 and would result in total issued shares in the Company of 777,569,610 (including shares to be placed by the Company before completion of the rights issue). It is intended that new shares issued as a result of entitlements taken up will be quoted on ASX and will rank equally with existing issued ordinary shares of the Company.

Before making a decision whether to subscribe for any of these shares, please carefully read the Offer Booklet when you receive it. The offer opens on 30 December and closes at 5.00 pm (Adelaide time) on 11 January 2016.

From 18 December 2015, the Offer Booklet will be available to download from both the ASX website (at www.asx.com.au), and will subsequently be mailed to eligible shareholders on or around 30 December 2015.

The indicative timetable for the rights issue is as follows:

Event	Date
Announcement of Entitlement Offer and Appendix 3B lodged with ASX	17 December 2015
Offer Booklet lodged with ASX	18 December 2015
Shareholder notice despatched	18 December 2015
Shares trade on an “ex” Entitlement basis	21 December 2015
Record Date for eligibility to participate in the Entitlement Offer	23 December 2015 at 7:00 pm Adelaide time
Offer Booklet and Entitlement and Acceptance Form despatched to Shareholders	30 December 2015
Opening Date for the Entitlement Offer	30 December 2015
Last day to extend the Closing Date for the Entitlement Offer	6 January 2016
Closing Date for the Entitlement Offer	11 January 2016 at 5:00 pm Adelaide time
Securities quoted on a deferred settlement basis	12 January 2016
Notify ASX of under subscriptions	14 January 2016
Allotment of New Shares issued under the Entitlement Offer and deferred settlement trading ends	18 January 2016
Normal ASX trading for New Shares commences	19 January 2016
Despatch of holding statements for New Shares issued under the Entitlement Offer	21 January 2016

The timetable is indicative only and the Company reserves the right to vary it at any time without prior notice subject to the Listing Rules and the *Corporations Act 2001* (Cth).

The rights issue is fully underwritten by Taylor Collison Limited.

If you have any queries, please contact the Company on (08) 8274 5000.

Yours faithfully



Donald Stephens
Company Secretary