



ASF GROUP LIMITED
ACN 008 924 570
Bennelong, 2/3B Macquarie Street
Sydney NSW 2000
Telephone: (61 2) 9251 9088
Facsimile: (61 2) 9251 9066
www.asfgroupltd.com

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The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
Sydney 2000
via: www.asxonline.com

Dear Sir/Madam

\$2.5M Convertible Note Facilities

Further to the announcements of ASF Group Limited ("**ASF**") dated 28 August 2015 and 29 December 2015 in relation to the issue of \$7.5 million unsecured convertible notes ("**\$7.5M Notes**"), ASF is pleased to announce that it has further entered into convertible note deeds with other sophisticated investors ("**Noteholders**") for the issue of an additional \$2.5 million unsecured convertible notes ("**\$2.5M Notes**") on the same terms as the \$7.5m Notes.

These terms of the \$2.5m Notes include the following:

- (a) interest rate of 8% per annum;
- (b) ASF may at any time prior to 31 December 2016 ("**Maturity Date**") elect to convert all the \$2.5M Notes into ordinary shares of (i) ASF (subject to ASF's shareholders approval) at a conversion price being 80% of the 30 days VWAP immediately prior to conversion; or (ii) other ASF wholly owned subsidiaries at values agreed between the parties; and
- (c) subject to the full subscription by the Noteholders of the \$2.5M Notes, the Noteholders may also elect to convert all the \$2.5M Notes into shares of the aforesaid companies prior to the Maturity Date.

Information about ASF

ASF Group Limited (ASX: AFA) is unique among ASX-listed public companies. It is an investment and trading house which focuses principally on the identification, incubation and realization of opportunities in areas of synergy between China, Australia, UK and Europe including oil & gas, resources, property, infrastructure, travel and financial services sectors.

ASF is part of the S&P/ASX All Ordinaries Index (AOI) which consists of the largest 500 companies listed on the ASX.

Geoff Baker
Director
Ph: +612 9251 9088