

12 September 2016



The Manager
Company Announcements Office
ASX Limited

Energia Minerals Limited – Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

Energia Minerals Limited ACN 078 510 988 (**Company**) has today formally announced a pro-rata non-renounceable rights issue of approximately 174,005,994 fully paid, ordinary shares, each at an issue price of \$0.035 (3.5 cents) per share on the basis of two (2) new ordinary shares (**New Shares**) for every seven (7) existing ordinary shares which are held as at 7.00pm (AEST) on 15 September 2016 (**Record Date**) by shareholders (**Rights Issue**).

This notice is given by the Company under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations Instruments 2016/73 and 2016/84.

The Company gives notice that:

- (a) the Company will offer the shares under the Rights Issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) as at the date of this notice, the Company has complied with:
 - (i) Chapter 2M of the Corporations Act insofar as they apply to the Company; and
 - (ii) section 674 of the Corporations Act;
- (c) as at the date of this notice, there is no excluded information (as defined in section 708AA(8) of the Corporations Act) which is required to be disclosed by the Company; and
- (d) the Rights Issue may have an effect on the control of the Company, and the consequences of that effect will depend on a number of factors, including investor demand and existing shareholdings.

Further to paragraph (d) above, the Company notes that:

- 1 On 12 September 2016, the Company entered into an underwriting agreement with Euroz Securities Ltd (**Euroz**) to act as underwriter of the Rights Issue (**Underwriting Agreement**).



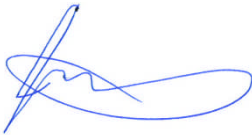
- 2 Based on information available to the Company, the current substantial shareholders of the Company as at the date of this notice are:

Substantial shareholder	Shareholding	Shareholding %
Alexander Burns and associates	139,847,071	22.96
Westoz Funds Management Pty Ltd	42,000,000	6.9

- 3 The Rights Issue may have the following impact on shareholders and otherwise control of the Company:
- eligible shareholders who take up their full entitlement under the Rights Issue should maintain their existing percentage interest in the total issued share capital of the Company;
 - eligible shareholders who do not take up their full entitlement will be diluted because the Rights Issue is underwritten and all New Shares will be issued;
 - if all eligible shareholders take up their full entitlement, there should be no impact on control – if not, there may be some impact;
 - save as provided for below, assuming all existing substantial shareholders take up their full entitlement, they should retain their existing percentage interest in the Company; and
 - so far as the Company is aware, no one shareholder of the Company will increase its voting power from below 20% to above a 20% interest in the Company as a result of the Rights Issue.
- 4 Euroz has entered into sub-underwriting arrangements with Caperi Pty Ltd as trustee for the Caperi Fund (**Caperi**) for Caperi to acquire up to 69,668,735 shares of any shortfall arising under the Rights Issue.
- 5 Caperi does not currently own any shares in the Company. However, Caperi is controlled by Ms Gayle McGarry, the wife of Mr Marcello Cardaci, a director of the Company. Ms Gayle McGarry also controls existing shareholders of the Company, Pollara Pty Ltd (**Pollara**) and Malvasia Pty Ltd (**Malvasia**). At the date of this notice, those entities have a combined voting power of 4.16% in the Company.
- 6 Assuming that Ms McGarry takes up the full entitlements of Pollara and Malvasia under the Rights Issue and Caperi subscribes for its full entitlement under its sub-underwriting arrangements, then Ms McGarry's voting power in the Company would increase from 4.16% to 13.06%.
- 7 Mr Cardaci has informed the Company that he has a current association with Caperi and Pollara and an indirect interest in the shares held by Malvasia. Accordingly, Mr Cardaci's interest in the Company will change in the same manner as Ms McGarry's.
- 8 Westoz Funds Management Pty Ltd (the investment manager for entities including Ozgrowth Limited) (**Westoz**) currently has voting power of 6.9% in the Company. Euroz has advised the Company that it has entered into sub-underwriting arrangements with Westoz. Accordingly, if Westoz takes up its full entitlement under the Rights Issue and subscribes for its full entitlement under its sub-underwriting arrangements, its voting power in the Company would increase from a current level of 6.9% to 8.72%.

- 9 Euroz has the power to appoint other sub-underwriters (including existing shareholders). As such, there may be other changes in shareholdings. However, this power is subject to the identity of the other sub-underwriters complying with the law and takeovers policy and any sub-underwriter not obtaining voting power in excess of 20% unless the Company consents otherwise.
- 10 The above numbers assume the Underwriting Agreement is not terminated and no options are exercised.

By order of the board of Energia Minerals Limited



Jamie Armes
Company Secretary

